

# Offender Monitoring Solutions

submitted to the City of Mesa, Arizona

RFP No. 2022118

VOLUME I: TECHNICAL



## Title Page

Please accept BI's formal submission to *Solicitation Number: 2022118* for Offender Monitoring Solutions, due on March 16, 2022.

### Compliance with RFP Requirements

BI Incorporated agrees with all the terms, conditions, and provisions in *Solicitation 2022118* and agrees to furnish all items as set forth in this submission. We acknowledge and comply with all new and revised provisions released in addenda related to this solicitation.

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### Restriction on Disclosure of Data

This proposal contains trade secret and confidential business or financial information exempt from disclosure under the Freedom of Information Act. This information is not to be disclosed outside of the Government and shall not be duplicated, used, or disclosed—in whole or part—for any purpose other than to evaluate this proposal.



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## Tab 1—Letter of Transmittal

March 16, 2022

*Sent via web portal*

ATTN: Ms. Nicole Arnold, Procurement Officer  
Ms. Lei Rhonda Golden-Gray, Procurement Specialist  
City of Mesa, Arizona

Re: *Request for Proposal*: Offender Monitoring Solutions  
Solicitation Number: 2022118  
Due: March 16, 2022 at 3:00 pm Arizona Time

Dear Ms. Arnold and Ms. Golden-Gray,

In response to the referenced solicitation, BI Incorporated (BI) is pleased to offer our proposal for Offender Monitoring Solutions. Throughout the *Request for Proposal* (RFP), the City emphasizes the need for solutions that support accurately monitoring offenders and defendants in Mesa communities, while also supporting the expansion and promotion of the OMNIA Partners *Master Agreement* on a nationwide basis. BI understands these needs from collaborating closely with the City of Mesa since 2011 and substantially expanding the OMNIA Partners *Master Agreement* for the past two contract terms. With our proven experience, we are confident our technologies, responsive support, and established marketing and sales strategy represent the best solutions available today.

Our submission not only details the established processes, infrastructure, and experience associated with BI's solution, but also describes our approach to supporting the next contract term of the City of Mesa's electronic monitoring program and the OMNIA Partner's *Master Agreement*. Throughout our response, BI describes how our solution supports the City with continuing to implement and maintain a best-in-industry monitoring program. BI's expertise and knowledge of all products, services, and methodologies—required both by the City of Mesa and OMNIA Partners—is simply unmatched in the industry.

While BI has a long history of successful collaboration with the City of Mesa, our response will not rely solely on our past performance. Detailed throughout our submission, BI explains how our innovative, single-source, and proven solution meets or exceeds all specifications and will substantially mitigate many of the risks inherent with monitoring programs. BI offers a continuity of services—from officer training and alert notification protocols to a nationwide salesforce and tenured marketing team—that is simply unavailable from other providers. We look forward to continuing to provide the most advanced, reliable, and consistent technology in support of the City of Mesa. Similarly, as a leading supplier of electronic monitoring equipment, BI would be honored to continue to provide a comprehensive sales strategy, backed by our responsive communication executives, in support of the OMNIA Partner's objectives.

Within this section of BI's proposal, we provide the following RFP-required information:

1. Understanding of Work: City of Mesa
  - a. For a summary of BI's understanding of OMNIA Requirements, see *Proposal Section 2.2—Response to National Program* on page 21
2. Commitment to Perform
3. Key Contacts
4. Conclusion

## 1.1 Understanding of Work: City of Mesa

For a summary of BI's understanding of OMNIA Requirements, see Proposal Section 2.2—Response to National Program on page 21.

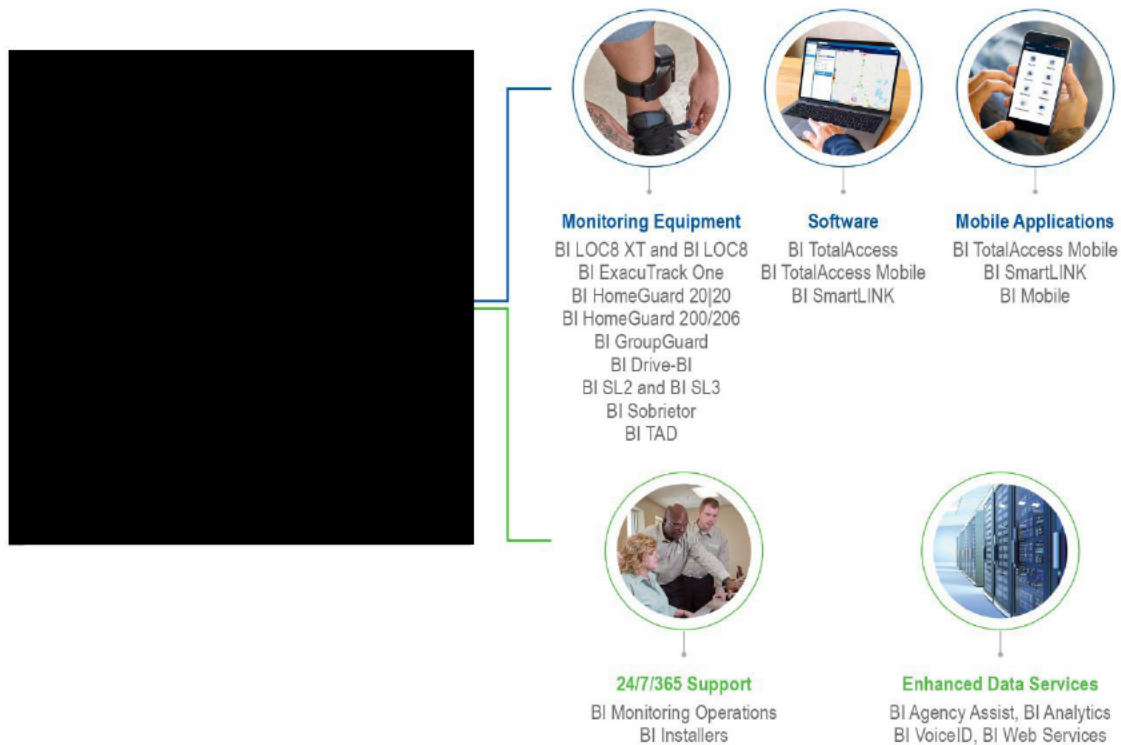
The mission of the Mesa Municipal Court is to serve the public by protecting rights and liberties, upholding and interpreting the law, and magnifying public trust in the judicial system. A critical component of the City of Mesa's Municipal Court operations is the electronic monitoring program that acts as additional release condition option for some defendants who otherwise may be held on bond.



Central to the City's electronic monitoring program is the need to have access to meaningful and actionable data to drive enforcement priorities, all with the goal of maximizing officer efficiencies and supporting public safety. The City requires a suite of advanced technologies that accurately report defendant compliance with court-approved curfews, schedules, and adherence to zone restrictions.

During the next contract term, the City of Mesa will continue to require reliable technologies to hold defendants accountable as individuals progress through the legal system and are monitored in Arizona communities. With the submission of our proposed solution, BI Incorporated renews our commitment to continue supporting the City of Mesa Municipal Court's program into the future.

### THE SOLUTION:



**A SINGLE-SOURCE SOLUTION:** *increase efficiencies, minimize workload*

Contracting with a vendor that relies on third parties or multiple systems—for example, subcontracted software applications, disparate monitoring center locations, or different equipment manufacturers—inherently introduces risk. Successfully supporting a program for the City of Mesa requires a solution completely operated from a single source.

[Redacted text block]

[Redacted text block]

- [Redacted list item]
- [Redacted list item]
- [Redacted list item]
- [Redacted list item]

[Redacted text block]

[Redacted text block]

BI's streamlined approach to supporting the City extends far beyond a consolidated software platform: every aspect of our operations, from manufacturing to monitoring support, is wholly owned and operated by BI. This integrated approach mitigates risk and provides a continuity of services unavailable from any other provider.

**STREAMLINED APPROACH**



**Manufacturing Center**  
All required GPS, Alcohol, RF and Mobile Solutions



**Software Platform**



**Monitoring Center**



**Central Computer System**



**Quality Assurance Program**

## COMMITMENT TO INNOVATIVE SOLUTIONS

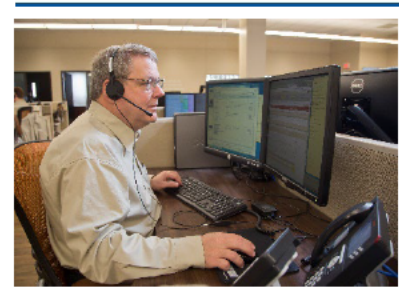
Modern technologies play a crucial role in addressing ongoing electronic monitoring needs—from equipment, to monitoring center accuracy, to software features. Innovative solutions have the potential to increase monitoring accuracy, support officer and client communications, and positively impact public safety in the community. Our suite of monitoring technologies and services continue to expand to meet the future needs of community supervision programs. Looking ahead to the new contract that results from this procurement process, BI commits to providing advanced, innovative solutions.

### Innovations in Electronic Monitoring Hardware and Software

- **LOC8 XT.** Our newest generation GPS device communicates on LTE cellular networks. The internal battery can operate more than 60 hours from a single charge. Internal component upgrades increase the durability of the device.
- **HomeGuard 20|20.** BI's latest continuous RF monitoring solution ensures clients are restricted to their approved residence. Officers can send messages to display on the HomeGuard 20|20's LCD screen. If the client attempts to move the receiver, the device will collect a GPS point every minute while the receiver is in motion and up to 10 minutes after the receiver becomes motionless.
- **SL3.** This remote breath alcohol device builds on the success of the SL2 and offers significant improvements in durability and security. The fuel cell sensor in the SL3 remains accurate for 1,500 tests, approximately one year of testing, requiring fewer calibrations than the previous model.
- **TotalAccess Platform Enhancements.** By migrating the City to our enterprise version of TotalAccess, personnel will experience our intuitive, convenient user interface. BI adopted Agile software development practices to quickly implement software improvements based on officer feedback.
- **TotalAccess Mobile.** Our advanced software application increases officer efficiencies via our fully-functioning mobile version of TotalAccess. Now officers can perform all the essential functions of their job from their smartphone.
- **SmartLINK.** BI's client-facing smartphone application supports client rehabilitation and reentry by offering access to agency-approved resources, streamlining client and officer communications, and confirming compliance with court-ordered mandates.

BI's extensive history of releasing innovative solutions, for example the use of Wi-Fi location positioning, leave other electronic monitoring providers imitating our technologies.

In just the last 14 months, BI has introduced several of these new product offerings to the industry, including the LOC8 XT, HomeGuard 20|20, SL3, SmartLINK, and TotalAccess Mobile.



#### Innovative Monitoring Operations Services

Fully integrated with TotalAccess, BI Agency Assist offers monitoring center interaction with both individuals that are wearing EM devices and individuals that require a lower level of supervision. This suite of services provides timesaving tools that eliminate administrative tasks required of officers.



**A PROVEN PROVIDER MITIGATES RISK:** *more than 40 years as a pioneer in the industry*

Transitioning to a new vendor inherently introduces significant risks that have the capability to negatively impact public safety, and an experienced provider is crucial to providing solutions that evolve in tandem with shifting agency needs. A valuable partner since 2011, BI's history and understanding of City operations is unparalleled. Examples of the past successes—consistently provided by BI and often exceeding contractual requirements—include:

- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]

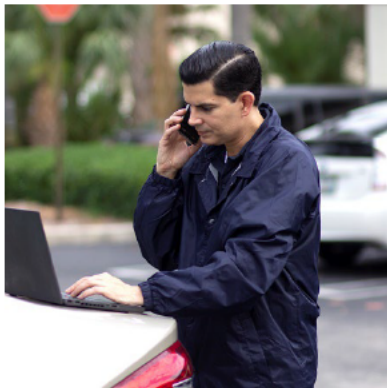
We thoroughly understand the mission, priorities, and initiatives of the City and have demonstrated our ability to carry them out efficiently and effectively. Our expert technical staff, including our Arizona-based Account Executive, are currently supporting the agency's electronic monitoring program, and we are fully committed to continuing to provide highly efficient services and innovations that exceed performance requirements. We can proceed swiftly with no learning curve, enabling agency leadership to focus on administering the electronic monitoring program rather than managing contractor transition.

**Understanding of Work Performed:** *BI's Innovation, Single-Sourced, and Proven Approach are Unmatched*

BI's proposed solution, combined with our unmatched level of understanding, program expertise and experience with City of Mesa enables us to continue to anticipate and develop solutions that will directly benefit the agency. Throughout BI's submission, we will differentiate ourselves as the lowest risk, highest value vendor to support the future of City operations.

**Dedication to Community Reentry and Supervision**

*BI's reputation as an industry leader is based on our strong tradition of quality, trust, and integrity in all aspects of our business. There is little margin for error when considering community public safety.*



**United States-Based Operations**

BI's Corporate Headquarters are located in Boulder, Colorado

## 1.2. Commitment to Perform

Every department within the BI organization—and with the support for our parent company, The GEO Group—is dedicated and committed to performing all aspects of the solution required by the City’s RFP. We confirm that BI is able to perform all services within the time period specified by the RFP.

Per *RFP Section 3.1*, BI certifies that our systems meet all requirements for each category, including:

- Active, Passive, Hybrid GPS Tracking: BI LOC8 XT, LOC8, and ExacuTrack One
- RF Curfew Monitoring: BI HomeGuard 20|20, HomeGuard 200/206, and GroupGuard
- Voice Tracking and Verification: BI VoiceID
- Alcohol Monitoring: BI SL3, SL2, and Sobrieter
  - Transdermal Alcohol Monitoring: BI TAD paired with the HomeBase or HomeGuard 20|20
- Supplemental Support Services: BI Agency Assist
- Smartphone Application: BI SmartLINK (client application) and TotalAccess Mobile (officer application)
- Data Analytics Software: BI Analytics Suite
- Online Monitoring Software: BI TotalAccess
- Related Products, Services and Solutions: BI Mobile, drug and alcohol testing, Day Reporting Centers, field services, and victim alert devices

### 1.2.1 Corporate, Pricing, and Sales Commitments

With the submission of this proposal, BI renews our corporate, pricing, and sales commitments to OMNIA Partners, the City of Mesa, and all other agencies that we service under the *Master Agreement*.

Table 1. Corporate, Pricing, and Sales Commitments	
BI Commits Representation and Covenant (RFP Exhibit A, 2.0)	
Corporate Commitments	
✓	The <i>Master Agreement</i> has received all necessary corporate authorizations and support of BI’s executive management
✓	The <i>Master Agreement</i> is BI’s primary “go to market” strategy for Public Agencies
✓	The <i>Master Agreement</i> will be promoted to all Public Agencies, including any customers, and BI will transition existing customers, upon their request, to the <i>Master Agreement</i>
✓	BI has read and agrees to the terms and conditions of the Administration Agreement with OMNIA Partners and will execute such agreement concurrent with and as a condition of its execution of the <i>Master Agreement</i> with the Principal Procurement Agency
✓	BI’s executive corporate sponsor is Mr. Robert Murnock, Vice President of Partnership Development, and our separate national account manager is Ms. Kimberly King, Regional Manager of Partnership Development will be responsible for the overall management of the <i>Master Agreement</i>
Pricing Commitments	
✓	The not-to-exceed pricing provided under the <i>Master Agreement</i> pricing is BI’s lowest available (net to buyer) to Public Agencies nationwide
✓	If a Participating Public Agency is eligible for lower pricing through a national, state, regional or local or cooperative contract, the Supplier will match such lower pricing to that Participating Public Agency under the <i>Master Agreement</i>

## Table 1. Corporate, Pricing, and Sales Commitments

*BI Commits* Representation and Covenant (RFP Exhibit A, 2.0)

Sales Commitments	
✓	Aggressively market the <i>Master Agreement</i> as its go to market strategy in this defined sector
✓	BI's sales force will be trained, engaged and committed to offering the <i>Master Agreement</i> to Public Agencies through OMNIA Partners nationwide
✓	All <i>Master Agreement</i> sales will be accurately and timely reported to OMNIA Partners in accordance with the OMNIA Partners Administration Agreement
✓	BI's sales force will be compensated, including sales incentives, for sales to Public Agencies under the <i>Master Agreement</i> in a consistent or better manner compared to sales to Public Agencies if the Supplier were not awarded the <i>Master Agreement</i> .

### 1.3. Key Contacts

BI's *Key Contacts* are indicated as the signatories below.

### 1.4 Conclusion

We are confident the City will conclude that our advanced technologies, proven experience, and overall project approach make BI the only company able to provide the low risk, high value solution the agency requires. We are excited and prepared to earn the opportunity to continue serving the City of Mesa and OMNIA Partners during the next contract term.

Best Regards,



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**Authorized Signatory**



Jock Waldo, Executive Vice President  
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[Jock.Waldo@bi.com](mailto:Jock.Waldo@bi.com)  
**Authorized Signatory**

## Tab 2—Qualifications

Community supervision programs rely on the experience and technologies of electronic monitoring providers to ensure officers have the tools they need to accurately monitor caseloads on a 24/7/365 basis. Experienced contractors familiar with the complexities of technology and monitoring systems can increase user confidence and public safety. As the first company to monitor individuals mandated to house arrest and GPS tracking, BI's experience is unparalleled.

### 2.1 Qualifications, Abilities, Experience, Expertise

Incorporated on September 28, 1978 in Boulder, Colorado, BI is a wholly owned subsidiary of The GEO Group, Inc. (GEO)—providing BI with unmatched financial strength and operational soundness in electronic monitoring and case management.

We provide a full continuum of monitoring technologies and services for juveniles, parolees, probationers, pretrial defendants, and undocumented persons involved in the U.S. immigration court process.

[REDACTED] Our 44 years of experience demonstrates our capacity to successfully partner with agencies of all sizes with varying monitoring needs.

BI has a long history of innovation that helps us stay ahead of technological trends and meet the evolving supervision needs of the community supervision programs. BI built a strong reputation on delivering innovative solutions that reliably monitor thousands of individuals, reduce recidivism rates, and support the missions of corrections agencies across the nation.

*1. A statement of Respondent's qualifications, abilities, experience, and expertise in providing the requested services.*

Founded in 1978, BI has extensive experience conducting research while developing, implementing and strengthening technology designed for government correctional institutions. BI has built a strong reputation for delivering innovative solutions that reliably monitor thousands of clients and defendants, reduce recidivism rates, and support the missions of correctional agencies across the nation. Today, BI offers more than an interactive web-based application. BI provides a full continuum of electronic monitoring products, a highly capable and full-service Monitoring Operations center, and expert services to monitor participants in the community.

As an organization dedicated to providing innovative solutions, BI will always provide the agency with the most current and updated version of equipment. BI's team of professionals focuses on supplying equipment that establishes the highest industry standards. We identify ourselves as the leading provider of integrated service and technology solutions that support the missions of our public-sector partners. With innovation



as a cornerstone of our organization, we constantly translate ideas into effective solutions that exceed the expectations of our agency partners—at no extra charge to established contract rates.

The agency can rely on the pioneering culture of our organization to deliver the most capable and compliant equipment and services with consistency. BI Labs, the cradle of our company's innovations, constantly pursues new avenues to deliver the most advanced technology solutions to our partners.

**Relevant Credentials and Experience**

BI recently celebrated 44 years in the electronic monitoring industry. As the largest manufacturer of electronic monitoring technologies in the industry, BI has earned our customers business more than four decades of consistent delivery of reliable devices. BI has received multiple awards and recognition for our accomplishments over the years, which include:

- BI received a Computer World Smithsonian Award in 1989, the inaugural year of the award. The award was established to "recognize heroes of technological innovation." An early prototype of BI's first curfew monitoring device is on display at the Smithsonian Institute in Washington D.C.
- BI is recognized as an ISO 9001:2015 certified corporation. ISO 9001 is a series of standards, developed and published by the International Organization for Standardization (ISO), that define, establish, and maintain an effective quality assurance system for manufacturing and service industries. BI first earned ISO 9001 certification in 1995 and has been re-certified every three years. See Attachment B.

[REDACTED]

[REDACTED]

[REDACTED]

*a. A description of what qualifies Respondent, financial and otherwise, to provide the City with these services/materials for the required period of time, including information demonstrating Respondent, has the appropriate staffing, necessary resources, and a history of demonstrated competence.*

**Financial Qualifications**

BI is a wholly-owned subsidiary of The GEO Group, Inc. GEO provides BI with unmatched financial strength and operational soundness. GEO is publicly traded on the New York Stock Exchange (NYSE: GEO) and is valued at over \$740 million.

With an extensive network of intensive supervision, rehabilitation and reentry, and treatment facilities, the GEO organization is dedicated to serving the community with respect, integrity, and awareness

BI and GEO have strong financial resources and support with stability and depth, access to equity, and flexible liquidity. We always maintain a cash balance to accommodate any short-term liquidity needs, and we have a multimillion dollar line of credit with a national bank. BI undergoes regular internal and external audits of our results and controls to provide advanced, cost effective solutions.



**Figure 1. Dedication to Community Corrections**

BI is solely committed to developing unique, custom, and advanced community supervision technologies.

## Appropriate Staffing and Other Necessary Resources

BI regularly monitors inbound and outbound call volumes to our Monitoring Operations facilities. This monitoring includes 24/7/365 troubleshooting and officer support. Monitoring Operations reviews this data on a regular basis, and uses these metrics to determine a staffing plan appropriate to the needs of the agency.

BI assigns Monitoring Specialists to shifts based upon call volume forecasts. We develop these forecasts by analyzing historical call volumes and seasonal patterns, enabling BI to adjust staffing levels in support of providing prompt 24/7/365 support to the officers we serve.

Our program and corporate organizational structures will result in prompt responses to City requests, a flexible approach to any necessary program changes, and will facilitate frequent communication between BI and agency personnel. In addition to the staffing resources, the City will be fully supported by a comprehensive range of BI organizational departments throughout the life of a contract, including:

- **Manufacturing and Purchasing Departments:** which produce large amounts of reliable equipment with components sourced from United States-based providers
- **Monitoring Customer Services Department:** which provides expert monitoring services, including managing alert protocols, developing custom data queries, and communicating regularly with Department personnel
- **Customer Business Services Department:** which offers accurate, timely billing and inventory services
- **Partnership Development Department:** which provides account management and ongoing programmatic support
- **Hardware and Software Engineering Department:** which offers innovative solutions that are continuously evolving to meet Department needs
- **Human Resources:** supports recruitment and hiring efforts, ensure staff are compliant with Department requirements, and implement any organization structural changes
- **Quality Assurance:** provides oversight on contract fulfillment, from sourcing components to enforcing policies, to ensure compliance with RFP and ISO requirements

## History of Demonstrated Competence

BI was the first company in the industry to manufacture devices specifically to monitor individuals in supervision programs; our unmatched experience is a strong competitive advantage. This is not only demonstrated by our longevity in the industry, but also the breadth of customers we support. BI currently holds the two largest federal electronic monitoring contracts in the United States, effectively supporting the Administrative Office of the United States Courts (AOUSC) and the Department of Homeland Security (DHS) for decades. In addition, we support State-level Department of Correction agencies and large and small counties throughout the nation. This experience has empowered BI to provide meaningful community supervision programs aimed at monitoring clients and defendants—all with the goal of supporting public safety and increasing efficiencies for the officers using our solutions.



**Figure 2. Established Staffing Approach**

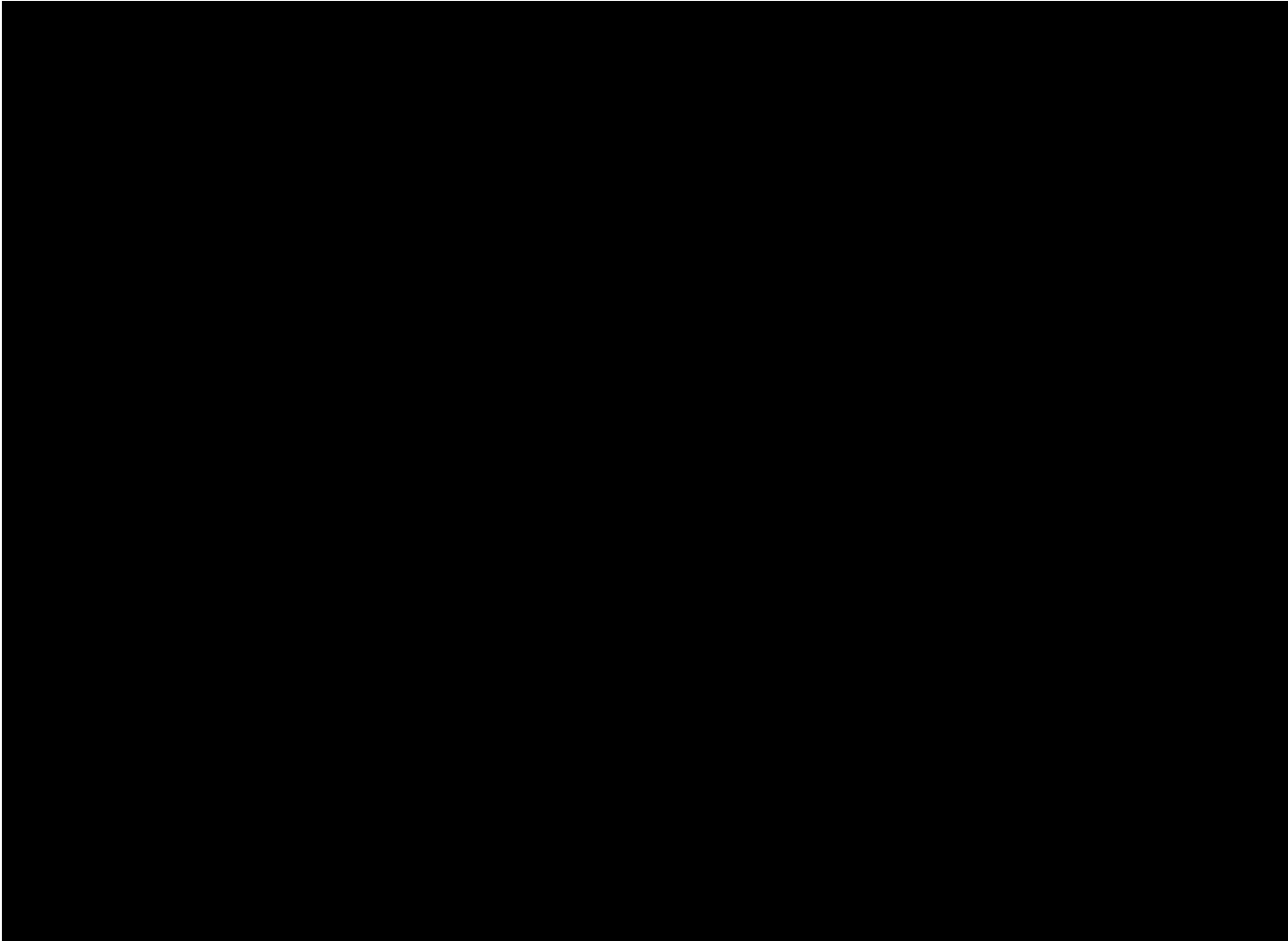
Onsite supervisors monitor call volumes 24/7 and make necessary adjustments to ensure officers experience minimal wait times.



**Figure 3. Experienced Live Customer Support 24/7**

The average tenure of our Monitoring Specialists is 6 years, and Monitoring Operations management staff have an average tenure of more than twenty years.

Another example of a competitive advantage associated with BI's solution is our parent company, The GEO Group. This relationship with GEO has provided us with access to financial and technological resources that are simply not available to other companies in the industry. Our recent re-award of the AOUSC Location Monitoring contract, used by every federal district in the nation, is a testament to BI's reputation as the leading provider of community supervision technologies and services.

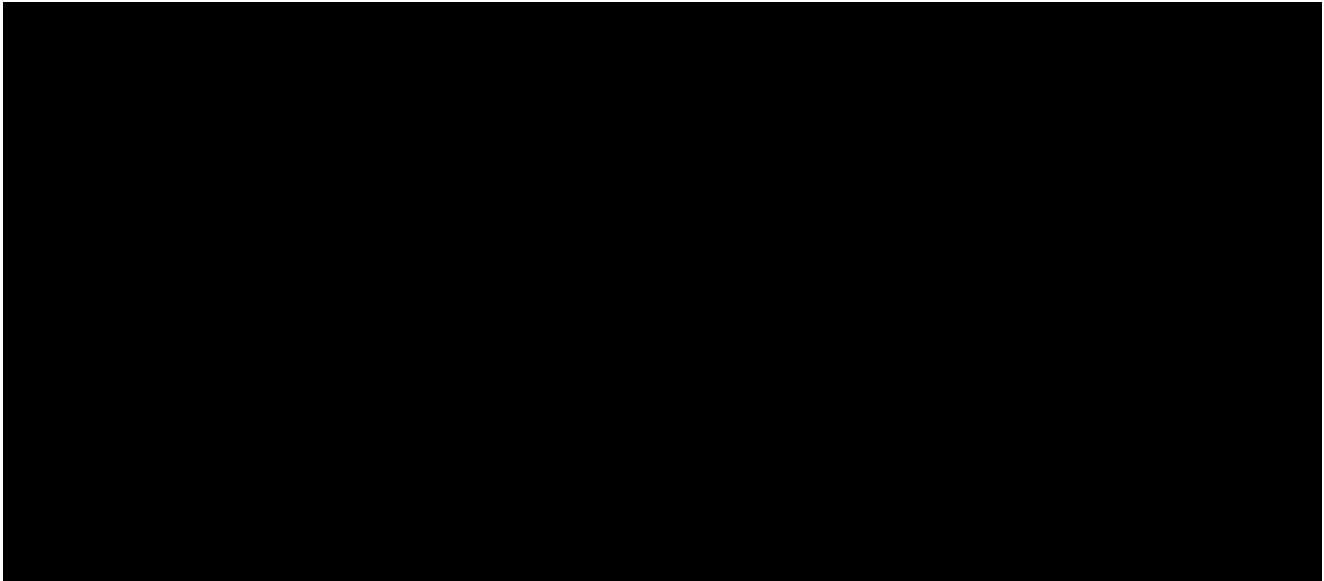


*b. An assessment of the Respondent's ability to meet and satisfy the needs of the City, taking into consideration the requested services, additional services, and expertise offered that exceed the requirements of the Solicitation, and the Respondent's inability to meet any of the requirements of the specifications.*

As the largest provider of electronic monitoring solutions to community corrections programs—with all products manufactured in the United States—BI understands the importance of satisfying the needs of the City and OMNIA partners. We confirm that BI can meet all requirements of the specifications, and our expertise in supporting community supervision program will directly support the success of the City's program. To keep pace with evolving technologies and agency needs, BI has expanded the size of our manufacturing facility, increased our capital investment, produced more electronic monitoring devices, and improved our personnel processes to respond to agency equipment needs.



Evidence of BI's ability to meet and satisfy the needs of the City is summarized by the following graphic.



*c. References – A minimum of three (3) references, preferably from other public entities within the State of Arizona, for whom you have provided similar services. Include the name of the entity, contact person's names, phone numbers, e-mail addresses, mailing addresses, type of service provided, and dates the services were provided.*

BI has exceptional experience supporting programs similar in size and scope to the City, and this portion of our response contains narrative descriptions of references. These accounts are ready and willing to answer any evaluator questions about BI performance, and include:

- [Redacted]
  - [Redacted]
  - [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted text block]

**Reference Contact Information**

The following table provides RFP-required contact information for these references.

**Table 2. References**

RFP Required Information	Response
--------------------------	----------

[Redacted]	[Redacted]
------------	------------

*d. Provide available ordering methods – online ordering, order tracking, search options, order history.*

Officers can contact BI's Customer Business Services Department to place an equipment order. BI staff will enter the order information into our internal shipping and manufacturing database, and we will ship units within 24 hours of order placement. For orders placed on Fridays, BI respectfully requests that agency personnel place orders before 2:00 PM Mountain Time to allow for adequate shipping time. BI cannot guarantee units will be shipped within 24 hours for any order placed after that time on Fridays.

BI will be responsible for tracking shipments of equipment from our manufacturing center to agency locations in Mesa City and nationwide. BI uses FedEx to ship/receive equipment to/from the agencies we serve. As a FedEx Freight business customer, BI has access to near real-time tracking information on each shipment with regularly scheduled pick-up and drop-off times.

*e. Provide available payment terms.*

BI's standard payment terms are Net 30, and ACH is our preferred method of receiving payment. At this time, our solution does not include any quick-pay incentives. However, upon request, BI is willing to work with agencies who express interest with incentives under this specification.



**Figure 6. Enhanced Manufacturing Capabilities**

BI's advanced manufacturing facilities enable BI to produce equipment in the quantities required by the agency, or in larger quantities if the City's program expands.

















## 2.2 Response to National Program

*2.a. Include a detailed response to Attachment C, Exhibit A, OMNIA Partners Response for National Cooperative contract. Responses should highlight experience, demonstrate a strong national presence, describe how offeror will educate its national sales force about the contract, describe how products and services will be distributed nationwide, include a plan for marketing the products and services nationwide, and describe how volume will be tracked and reported to OMNIA Partners.*

Participating Public Agencies have the responsibility of accurately monitoring varying client populations released into the community. These monitored populations consists of individuals at every stage of the criminal justice system; including juveniles, adults, low-risk, and high-risk clients. Participating Public Agencies face significant challenges with such a large and diverse client population as they work towards rehabilitating and preparing clients to be productive members of their communities. With these needs in mind, BI has developed a customized solution geared towards effectively monitoring a diverse client population and growing the OMNIA Partners Participating Public Agency footprint. The following graphic provides a summary of our continuum of solutions.

### ELECTRONIC MONITORING PROGRAM

Innovative, Single-Source, Proven

					
<b>LOC8 XT LOC8</b> Active, Passive and/or Hybrid GPS Tracking Device	<b>ExacuTrack One</b> Active, Passive, Hybrid	<b>HomeGuard 200/206 HomeGuard 20 20</b> Radio Frequency Device	<b>GroupGuard</b> RF Group Monitoring	<b>Drive-BI</b> Radio Frequency (RF) Monitoring	<b>TAD</b> Transdermal Alcohol Monitoring (CAM)
					
<b>SL2 and SL3 Sobriotor</b> Handheld Alcohol Monitoring Device	<b>TotalAccess TotalAccess Mobile</b> Monitoring Center System	<b>SmartLINK</b> Client Application Video Conferencing	<b>BI Mobile</b> Secure Smart Device	<b>BI Analytics</b> Data Software Analytics	<b>VoicelD</b> Video and/or Voice Tracking/Verification and Message Reporting System
				<b>• TECHNOLOGY • SERVICES</b>	
<b>BI Agency Assist</b> Supplemental Support Services	<b>Web Services</b> Data exchange between Agency and TotalAccess	<b>BI Installation Technicians</b> Field Services	<b>Monitoring Operations Center</b> Technical Service and Industry Support 24/7/365		

### 2.2.1 Understanding of Work: OMNIA Partners

As the largest and most experienced organization in procurement and supply chain management, OMNIA Partners offers innovative approaches to procurement. With a division dedicated to the public sector, OMNIA Partners offers reliable, proven, and transparent procurement vehicles to support the critical missions of government organizations across the nation. Using industry-best procurement practices, OMNIA Partners offers contracts that have been competitively solicited and publicly awarded by government entities serving as the lead agencies; in the case of the Offender Monitoring Program *Master Agreement*, the City of Mesa is acting in this role.



Throughout the Offender Monitoring Program *RFP*, OMNIA Partners emphasizes the need for a consistent, single procurement vehicle for electronic monitoring products, with the goal of expediting the contract process. The OMNIA Partners organization requires a collaborative partnership with a reliable vendor to grow the utilization of the *Master Agreement*; this collaboration is critical to evolving the *Master Agreement* as technologies, the industry, and market strategies shift. Lastly, OMNIA Partners needs to contract with a provider that offers a complete continuum of competitive technologies, software solutions, and innovative services developed specifically to support the goals of community supervision programs on a nationwide basis.

With the submission of our proposal response, BI Incorporated renews our commitment to continue supporting the OMNIA Partner's *Master Agreement* during the next contract term as we have done for the previous eight years.

[REDACTED]

BI's solution for OMNIA Partners includes a comprehensive suite of electronic monitoring solutions supported by our nationwide sales force, tenured corporate marketing team, and proven approach to expanding the *Master Agreement*.

#### Expanding the OMNIA Partners Master Agreement

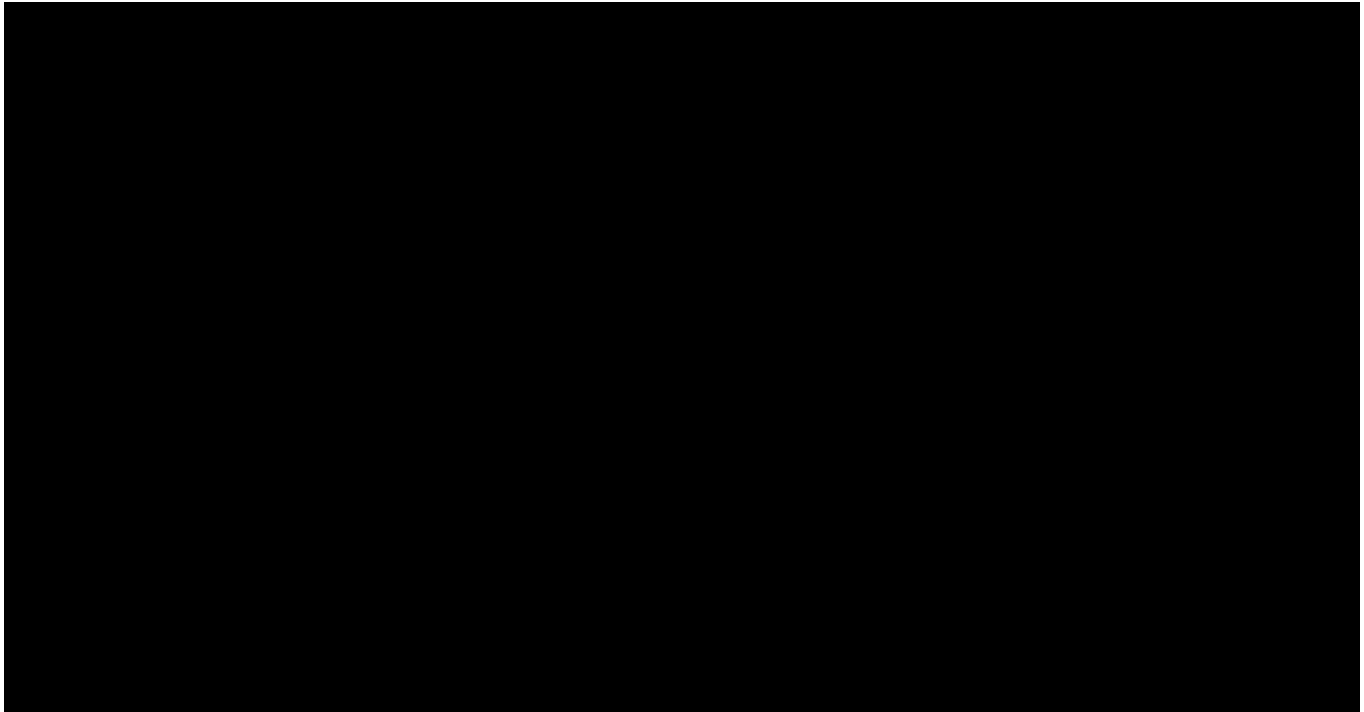
As the largest and most experienced electronic monitoring provider in the nation, BI is uniquely positioned to continue to expand the use of the *Master Agreement* in the community supervision industry. We have unmatched resources, strategies, and experience that enable BI to continue to support the OMNIA Partner's mission into the future. Key strategies that will support this objective include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]





Evidence of our ability to expand the OMNIA Partners *Master Agreement* is best demonstrated by the year-over-year growth summarized by the following graphic.



### Ongoing Collaboration with OMNIA Partners

Central to the continued expansion and adoption of the *Master Agreement* is ongoing communications and collaborations between the OMNIA Partners team and BI.

[Redacted]

[Redacted]

[Redacted]

### Proven Flexibility as Needs Evolve

As the trusted supplier of the *Master Agreement* since 2014, we have a demonstrated history of evolving with OMNIA Partners in tandem with changes in the electronic monitoring industry and with the *Master Agreement* itself. Examples of our proven ability to adapt to these changes include:

- [Redacted]

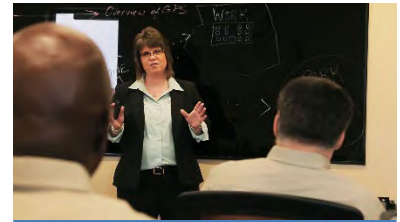
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Throughout BI's submission, we will differentiate ourselves as the lowest risk, highest value vendor to support the future of OMNIA Partners objectives.

**Acknowledgement of Introductory Attachment C Sections**

The following table acknowledges the introductory sections of *RFP Attachment C, Exhibit A* and provides a cross reference to relevant proposal sections.

<b>Table 3. RFP Exhibit A, Sections 1-2</b>			
#	Section Title	Relevant Proposal Section	BI Complies
1.0	<b>Scope of National Cooperative Contract</b>	<i>Proposal Section 2.2</i>	✓
1.1	Requirement	<i>Proposal Section 2.2</i>	✓
1.2	Marketing, Sales and Administrative Support	<i>Proposal Section 2.2.2.3</i>	✓
1.3	Estimated Volume	BI understands estimated volumes	✓
1.4	Award Basis	BI understands the award process	✓
1.5	Objectives of Cooperative Program	<i>Proposal Section 2.2</i>	✓
2.0	<b>Representations and Covenants</b>	<i>Proposal Section 1.2</i>	✓
2.1	Corporate Commitment	<i>Proposal Section 1.2</i>	✓
2.2	Pricing Commitment	<i>Proposal Section 1.2</i>	✓
2.3	Sales Commitment	<i>Proposal Section 1.2</i>	✓

**2.2.2 Supplier Response (RFP Attachment C, Exhibit A, Section 3.0)**

*Supplier must supply the following information for the Principal Procurement Agency to determine Supplier’s qualifications to extend the resulting Master Agreement to Participating Public Agencies through OMNIA Partners.*

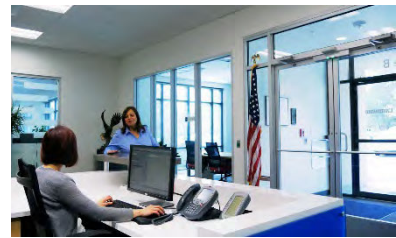
This section of BI’s proposal details our approach to extending the *Master Agreement* to Participating Public Agencies through OMNIA Partners, including:

- **Company Information:** company history, nationwide salesforce, company locations, financial and sales figures, and supplier diversity approach
- **Distribution and Logistics:** full line of products/services and nationwide distribution approach
- **Marketing and Sales:** Go-to-Market strategy, salesforce training, marketing implementation strategy, positioning against other cooperative agreements, sales initiatives, sales division organizational structure, and contract administration

**2.2.2.1 Company (RFP Attachment C, Exhibit A, Section 3.1)**

*A. Brief history and description of Supplier to include experience providing similar products and services.*

BI was originally founded in 1978 as an engineering and consulting firm that was heavily involved in the research, development, and manufacture of RF identification products. BI's first RF product was released in 1982 and was used to monitor the feeding schedules of dairy cattle. The founding members of BI soon recognized other needs and applications of RF monitoring. BI partnered with a pioneer in the electronic monitoring industry, a New Mexico judge who saw the potential for RF technology to provide a cost-effective house arrest solution. In 1984, BI introduced the Home Escort System which enabled agencies to monitor clients remotely. The first individual monitored by the Home Escort System violated curfew within 15 minutes of the device being installed. The system reported the violation accurately, the individual was apprehended, and BI became the first company to successfully monitor individuals.



**Figure 7. BI Headquarters**  
BI's manufacturing facility and administrative office suite are located in Boulder, Colorado.

We began our long history of innovation and strong partnerships with correctional institutions to create this groundbreaking product. BI was the first company in the industry to manufacture technology specifically designed to monitor defendants and clients. Over the years, BI has continued to conduct research while developing and strengthening partnerships with other technology providers and government institutions.

Our experience developing and implementing requested technologies and services requested by the City and OMNIA partners is detailed throughout this proposal, including:

- *Proposal Section 2.1—Qualifications* on page 14 contains a historical timeline of our innovations in the electronic monitoring industry
- Information on our history developing electronic monitoring solutions is detailed within our *Scope of Work* response
  - GPS experience is detailed in Proposal Section 3.1.5.1 on page 114
  - RF experience is detailed in Proposal Section 3.1.5.2 on page 122
  - Voice Tracking experience is detailed in Proposal Section 3.1.5.3 on page 131
  - Alcohol Monitoring experience is detailed in Proposal Section 3.1.5.4 on page 136
  - Supplemental Support Services experience is detailed in Proposal Section 3.1.5.6 on page 157
  - Smartphone Application experience is detailed in Proposal Section 3.1.5.7 on page 169

*B. Total number and location of salespersons employed by Supplier.*

BI Human Resources recruits and hires qualified, professional, and talented partnership development staff that operate with integrity and transparency as they support our customers and service contracts. Our customers and the communities we serve rely on our trustworthiness, our responsiveness, and the public safety solutions we provide. A summary of BI's national sales footprint is provided below.

**Table 4. Sales Representatives and Locations**

# of Sales Representatives	Location	# of Sales Representatives	Location
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**Table 4. Sales Representatives and Locations**

# of Sales Representatives	Location	# of Sales Representatives	Location
[Redacted Content]			

Additional information on our national partnership development footprint is provided below. in the following graphic.

**NATIONAL PARTNERSHIP DEVELOPMENT PRESENCE**



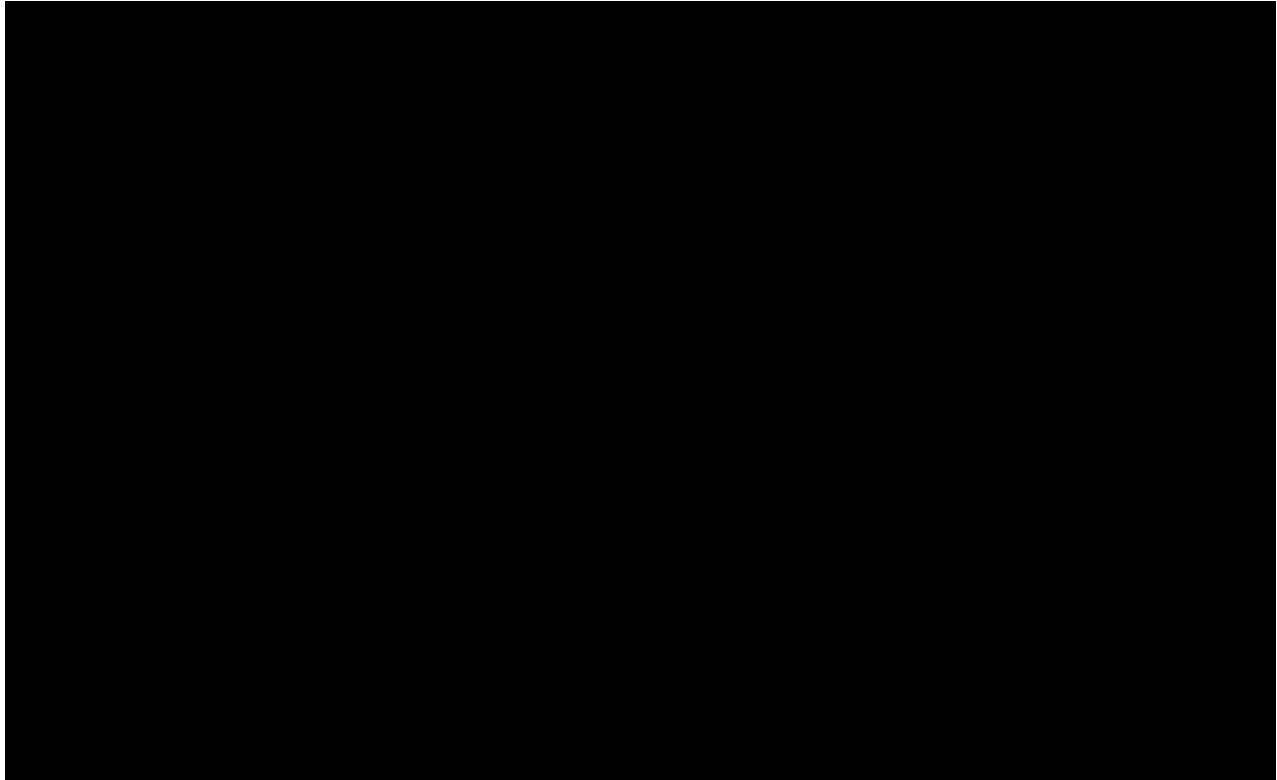
**Figure 8. National Partnership Development Presence**

With a large, nationwide partnership development team, BI is confident in our ability to continue to successfully market the Master Agreement in the ensuing contract term.

*C. Number and location of support centers (if applicable) and location of corporate office.*

As illustrated by the following figure, BI's distribution facility is located at our Boulder, CO corporate office and manufacturing facility. Monitoring Operations housed in Anderson, IN and Aurora, IL serve as support centers for our continuum of solutions.

[REDACTED], including some competing vendors who are responding to this RFP. This vast reseller network serves as direct support centers for BI's thousands of customers across the nation.



**Figure 9. National Support Location Presence**

BI's solution includes geographically redundant Monitoring Operations centers to ensure continual support to the agencies we serve. This redundancy is critical to our ability to provide robust, 24/7/365 support.

*D. Annual sales for the three previous fiscal years.*

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

*a. Submit FEIN and Dunn & Bradstreet report.*

Per RFP Section C.11.3, all financial are required to be submitted as their own separate files when final submissions are entered, and bidders are not to include these documents with the main proposal file. Please see our separately sealed *Financial Documents Proposal Volume* for this information.

*E. Describe any green or environmental initiatives or policies.*

As the OEM of all proposed products, BI is in direct control of the environmental practices in our U.S.-based manufacturing facility. We are deeply committed to developing, implementing, and improving our environmental initiatives and policies.

Please see *Proposal Section 3.3—Environmental* on page 263 for detailed information.

*F. Describe any diversity programs or partners supplier does business with and how Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their certifications.*

**Supplier Diversity Program**

BI is committed to partnering with small, women-owned, minority, disadvantaged, and veteran-owned businesses. BI supports the development of these suppliers through mutually beneficial educational and mentoring opportunities. We also participate in local and national initiatives—for example, supplier conferences—to help stimulate the growth of these business and further identify supplier partnerships.

By expanding and fortifying our world-class supplier base in this manner, the value of BI products and services is enhanced, which in turn benefits our customers and local communities. BI recognizes that supplier diversity is an important goal for many agencies. Accordingly, the BI Supply Chain department plays an important role in our mission to create distinctive value for our customers while maintaining the highest quality standards to support public safety. The table below outlines BI’s historical usage of small, women-owned, minority, disadvantaged, and veteran-owned businesses.

**Table 5. BI Utilization of Diverse Business Suppliers**

Type of Business

2021 Total Spend

Mr. Mark Rushworth, Supply Chain Director and Small Business Liaison Officer, oversees the BI Supplier Diversity program. Mr. Rushworth is dedicated to sourcing goods and services from diverse subcontractors. To secure diverse subcontractors, BI:

- Develops and maintains a master bidders’ list of diverse businesses
- Leverages our business strategy to ensure that diverse businesses are given equal consideration for each subcontracting opportunity
- Attends business opportunity workshops, seminars, and national supplier diversity events

See *Appendix A—Supplier Diversity Program* for additional information.

**Pricing Impacts**

Since inception, BI has maintained a steady commitment to contracting with small and minority businesses. This is foundational to how we conduct business. Our approach to this commitment supports the American workforce, while also and satisfying the stringent subcontracting goals of our federal customers. We are committed to uplifting and supporting the communities in which we operate, and small business, diverse supplier subcontracts are central to BI’s mission. Since we have subcontracted for decades, it is inherent in our business—we cannot break out or analyze cost if we were to not use subcontractors. Therefore, there is no pricing impact to the City of Mesa or OMNIA Partners.

**Diversity Alliances and Certifications**

Please see *Appendix B—Diversity Alliances and Certifications* for requested information.

*G. Indicate if supplier holds any of the below certifications in any classified areas and include proof of such certification in the response: (requirement repeated in table below)*

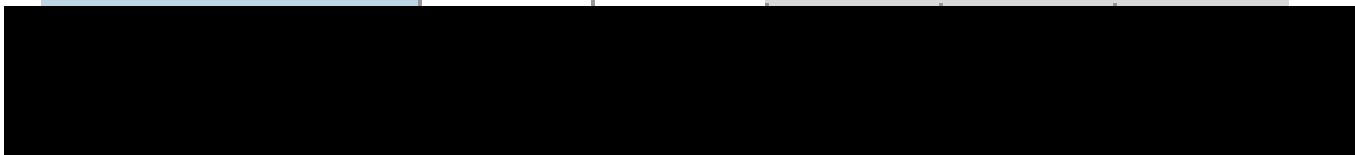
The following table indicates that BI does not hold any relevant small business certifications.

Table 6. Certifications in Classified Areas			
#	Prompt	Yes	No ✓
a.	Minority Women Business Enterprise	Yes	No ✓
	If yes, list certifying agency: N/A		
b.	Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)	Yes	No ✓
	If yes, list certifying agency: N/A		
c.	Historically Underutilized Business (HUB)	Yes	No ✓
	If yes, list certifying agency: N/A		
d.	Historically Underutilized Business Zone Enterprise (HUBZone)	Yes	No ✓
	If yes, list certifying agency: N/A		
e.	Other recognized diversity certificate holder	Yes	No ✓
	If yes, list certifying agency: N/A		

*H. List any relationships with subcontractors or affiliates intended to be used when providing services and identify if subcontractors meet minority-owned standards. If any, list which certifications subcontractors hold and certifying agency.*

The following table lists BI’s relationships with subcontractors and applicable certifications.

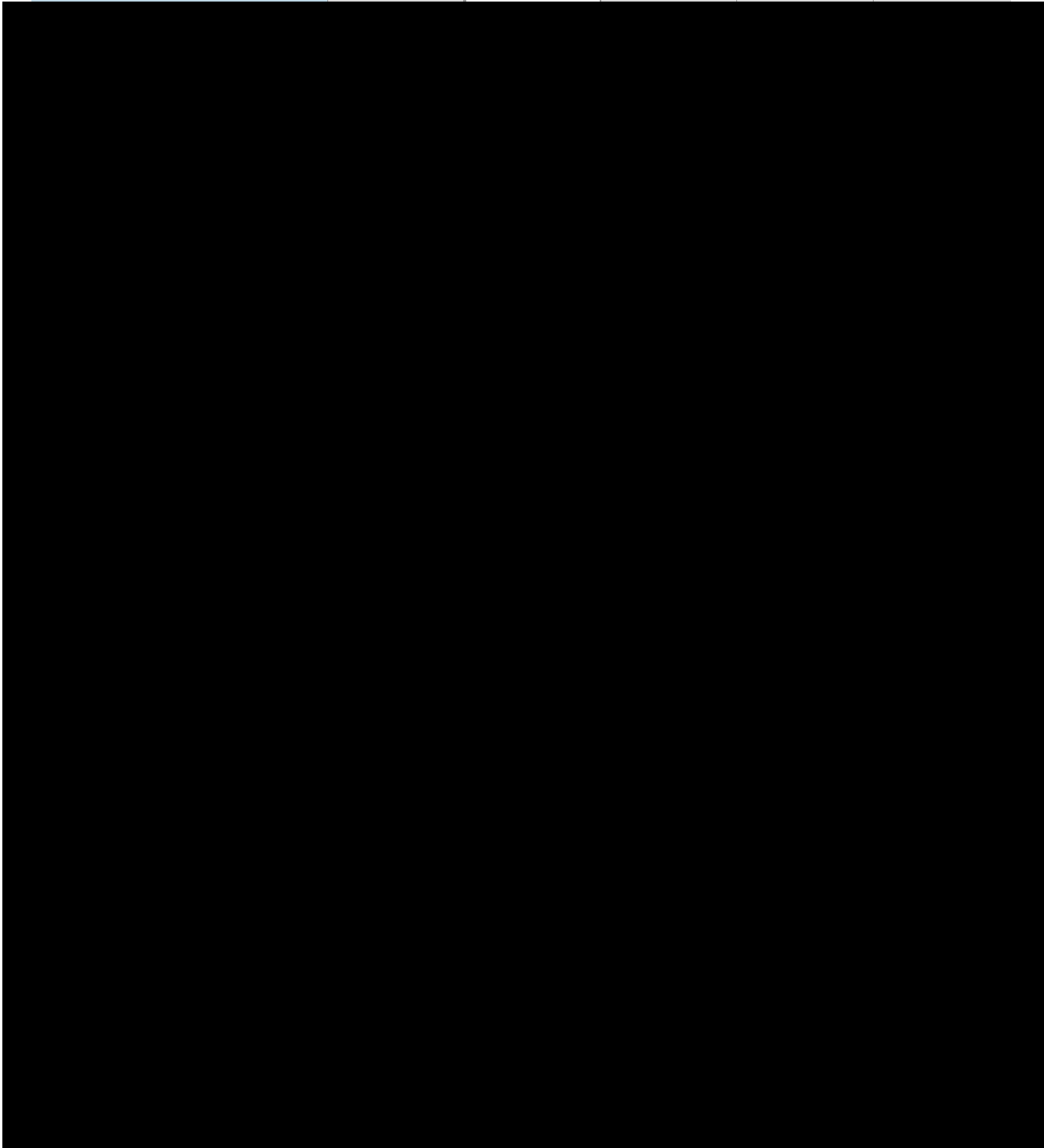
Table 7. Subcontractors and Certifications					
Subcontractor	MBE/WBE	SBE	HUB	HUBZone	Other





**Table 7. Subcontractors and Certifications**

Subcontractor	MBE/WBE	SBE	HUB	HUBZone	Other
---------------	---------	-----	-----	---------	-------



Please see *Appendix B—Diversity Alliances and Certifications* for requested documentation.

*I. Describe how supplier differentiates itself from its competitors.*

Successful electronic monitoring programs rely on a combination of trained officers, durable technically advanced equipment, monitoring operations, and 24/7/365 technical support. These components are all necessary to ensure clients are accountable and compliant with court orders. While there are other providers of electronic monitoring equipment, few, if any can provide the level of service and support offered by BI or match our level of expertise. Key differentiators of our approach include:

- **Unparalleled Industry Experience.** For nearly 45 years, BI has been a leader in the field of electronic monitoring, and BI personnel supporting the agency have decades of experience in the criminal justice field. BI produced our first GPS product 2003 and today we currently monitor more than [REDACTED] with various technologies.
- **Continuous Investment in Innovation.** BI is dedicated to keeping our solutions current and providing the latest products, services, standards, and technologies to our customers. A fundamental part of these efforts is to provide cost savings ideas and advancements related to our products and services.
- **Proven, Reliable Equipment.** BI is ISO-certified for all aspects of our business. ISO 9001:2015 certification requires organizations to evaluate the effectiveness and suitability of their quality management systems by measuring and monitoring customer satisfaction. BI is the largest and most experienced electronic monitoring provider in the country. No other vendor has an equivalent level of experience as an OEM.
- **Manufactured in the United States.** BI designs and builds all of our electronic monitoring equipment in Boulder, Colorado. Our company employs more than [REDACTED] across the United States to support our local, state, and federal contracts. BI prides itself in not outsourcing any aspect of our monitoring system or manufacturing process.
- **Established Understanding of Similar Programs.** As a provider of electronic monitoring services to more than [REDACTED] government agencies, BI is familiar with operating programs of similar size and scope to the agency. This experience will reduce the transition time needed to implement our program. We would be honored to have the opportunity to continue to support the personnel of the City and OMNIA Partners.
- **Highly Trained Monitoring Personnel.** Agency staff can call, toll-free at any time to speak with BI Monitoring Specialists physically present within the Monitoring Operations Center. Monitoring Specialists provide live customer service on topics such as equipment troubleshooting, client status checks, software assistance, reports, and on-time alert notifications.
- **Deep Understanding of Program Needs.** As the provider of electronic monitoring services to the City of Mesa for the past 11 years and OMNIA Partners for the past 8 years, BI has worked closely with agency leadership to meet unique objectives. There is no need to transition clients to new equipment, train officers on new equipment installation procedures or software usage. From the first day of contract execution, BI will be able to provide the same level of service the agency has experienced with no transition time or ramp-up period.



Throughout BI's response, we continually strive to differentiate ourselves as the only vendor that can provide a continuum of advanced monitoring technologies and software through a single platform. We are excited and prepared to earn our partnership with the agency during the next contract term.

*J. Describe any present or past litigation, bankruptcy or reorganization involving supplier.*

BI is or has been party to litigation involving claims of negligence, product liability, patent infringement, and employment related matters. BI is not, nor has been, involved in bankruptcy or reorganization proceedings.

*K. Felony Conviction Notice: Indicate if the supplier: a.) is a publicly held corporation and this reporting requirement is not applicable; b.) is not owned or operated by anyone who has been convicted of a felony; or c.) is owned or operated by and individual(s) who has been convicted of a felony and provide the names and convictions.*

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BI is a publicly held corporation and this reporting requirement is not applicable.

*L. Describe any debarment or suspension actions taken against supplier*




---

There have not been any debarment or suspension actions taken against BI.



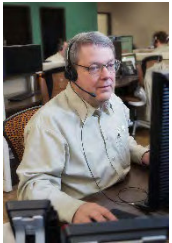

**2.2.2.2 Distribution, Logistics (RFP Attachment C, Exhibit A, Section 3.2)**

A. Each offeror awarded an item under this solicitation may offer their complete product and service offering/a balance of line. Describe the full line of products and services offered by supplier.

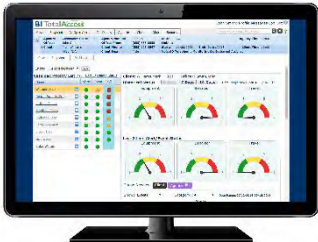
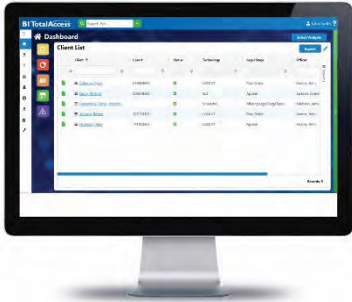

BI's proposed solution includes a complete package of electronic monitoring technologies and services, allowing Participating Public Agencies to receive software, support, and ISO-certified equipment from a single provider. To the best of BI's knowledge, no other vendor in the industry can provide a complete continuum of products and services from a single source, without relying on subcontractors or other third-parties. A brief description of BI's proposed solution is summarized in the following table.

Table 8. Product and Service Line	
Category, Location	Summary of Product/Service
<p><b>Active, Passive, Hybrid GPS</b> 3.1.5.1, page 114</p>	<p><b>LOC8 XT, LOC8, and ExacuTrack One:</b> <i>Innovative and proven GPS technologies enhance public safety while decreasing officer workload.</i></p> <p>Dependable and easy to use, BI's GPS equipment provides the agency with reliable location information, multiple communication technologies, and innovative solutions for client monitoring. Designed to monitor the agency's caseload effectively in any environment, LOC8 XT accurately tracks and captures location information on a 24/7/365 basis using GPS and GLONASS technology. The device incorporates a field-replaceable, adjustable strap; a long lasting internal battery with a minimally restrictive charging solution; and multiple tamper detection technologies unrivaled in the industry. In addition, our solution includes our LOC8 and ExacuTrack One devices.</p> 
<p><b>Radio Frequency</b> 3.1.5.2, page 122</p>	<p><b>HomeGuard 20 20, 206, 200, GroupGuard, and Drive-BI:</b> <i>Accurate curfew monitoring in any environment and for any population.</i></p> <p>We are excited to provide the agency with the HomeGuard 20 20, our next generation RF system. The HomeGuard 20 20 receiver will collect a GPS point every minute while in motion and up to 10 minutes after becoming motionless, and if GPS is unavailable, the receiver will use Wi-Fi access points to record a location point. In addition, the receiver is equipped with a 3.5 inch color touch LCD receiver screen that displays text messages from officers. The HomeGuard 20 20 receiver automatically detects equipment and activity events to confirm proper operation. These self-diagnostic features generate messages for critical events, such as low battery, loss of power connection, loss of telephone connection, loss of cellular signal, and tamper events. In addition, our solution includes our HomeGuard 200 and 206 devices.</p> 
<p><b>Voice Tracking</b> 3.1.5.3, page 131</p>	<p><b>VoicelD:</b> <i>Biometrically identify clients to verify locations without reliance on equipment, offering cost effective monitoring solutions.</i></p> <p>BI's VoicelD is an automated system that verifies each client's identity through biometric "voiceprint" authentication, distinguishing among a variety of physiological characteristics of a client's vocal tract. The VoicelD system can monitor location compliance through automated outbound calls as well as required inbound calls that clients make from various approved locations. As a cost-effective alternative to traditional electronic monitoring, VoicelD does not require any hardware in the client's home or installed on the individual being monitored.</p> 

**Table 8. Product and Service Line**

Category, Location	Summary of Product/Service
<p><b>Breath Alcohol Monitoring</b> 3.1.5.4, page 136</p>	<p><b>SL3, SL2, and Sobriotor:</b> <i>Highly accurate breath alcohol monitors provide reliable data while clients are at home or in the community.</i></p> <p>The BI SL3 is an ideal tool for high, medium, or low-risk participants, offering alcohol detection, photo verification, and location monitoring with each test. As a mobile device, the SL3 is powered by an internal, rechargeable battery and therefore does not rely on being constantly connected to a power source. The SL3 can continuously operate on battery power for approximately five days. If loss of the cellular connection disrupts the ability of the SL3 to communicate with TotalAccess, the SL3 can continue to conduct alcohol tests and stores three weeks of date- and time-stamped information in the device memory. In addition, our solution includes the SL2 mobile device and the landline Sobriotor.</p> 
<p><b>Transdermal Alcohol Monitoring</b> 3.1.5.5, page 148</p>	<p><b>TAD:</b> <i>Continuously and precisely monitor client alcohol intake through court-validated fuel cell technologies.</i></p> <p>The BI TAD is a continuous alcohol-monitoring device worn around the client's ankle 24/7. TAD uses court-validated transdermal technology to detect alcohol consumption and uses RF technology for curfew monitoring. Like the Sobriotor, TAD is paired with a HomeBase receiver that reports alcohol data, curfew information, and equipment events to the monitoring computer via landline telephone or cellular communication. Available to the agency during the next contract term, the TAD will interoperate with the HomeGuard 20 20 receiver.</p> 
<p><b>Supplemental Support Services</b> 3.1.5.6, page 157</p>	<p><b>Agency Assist:</b> <i>Enhanced monitoring services aimed at alleviating administrative, technical, and data management workloads.</i></p> <p>Through our bilingual monitoring center based in Aurora, Illinois, BI is excited to offer a solution designed to meet the needs of the City and any Participating Public Agencies that require services beyond alert notification and 24/7/365 technical support. By offering an automated check-in solution, documenting officer contacts with clients, proactively managing alerts, processing warrants, and collecting fees, BI's Monitoring Operations Department has the potential to drastically reduce administrative workload for officers.</p> 
<p><b>Smartphone Application</b> 3.1.5.7, page 169</p>	<p><b>SmartLINK, TotalAccess Mobile, and BI Mobile:</b> <i>Secure mobile application enables real-time messaging, self-reporting, and check-in capabilities to provide an additional level of passive monitoring.</i></p> <p><b>Client Application.</b> BI SmartLINK offers a central location for all monitoring resources, increasing clients' ability to comply. To support a variety of client populations and supervision requirements, BI categorized SmartLINK features into distinct programs: Connect, Report, and Verify. BI also offers a secured device, BI Mobile with SmartLINK Verify pre-installed, for an additional level of monitoring security.</p> <p><b>Officer Application.</b> With the goal of providing technology that increases officer efficiencies, BI's suite of software solutions includes TotalAccess Mobile, our enhanced smartphone application. This mobile application streamlines caseload and alert management for officers in the field. Available from a single platform, TotalAccess Mobile streamlines supervision activities, including managing alerts, monitoring client activities, and creating zones and schedules.</p> 

**Table 8. Product and Service Line**

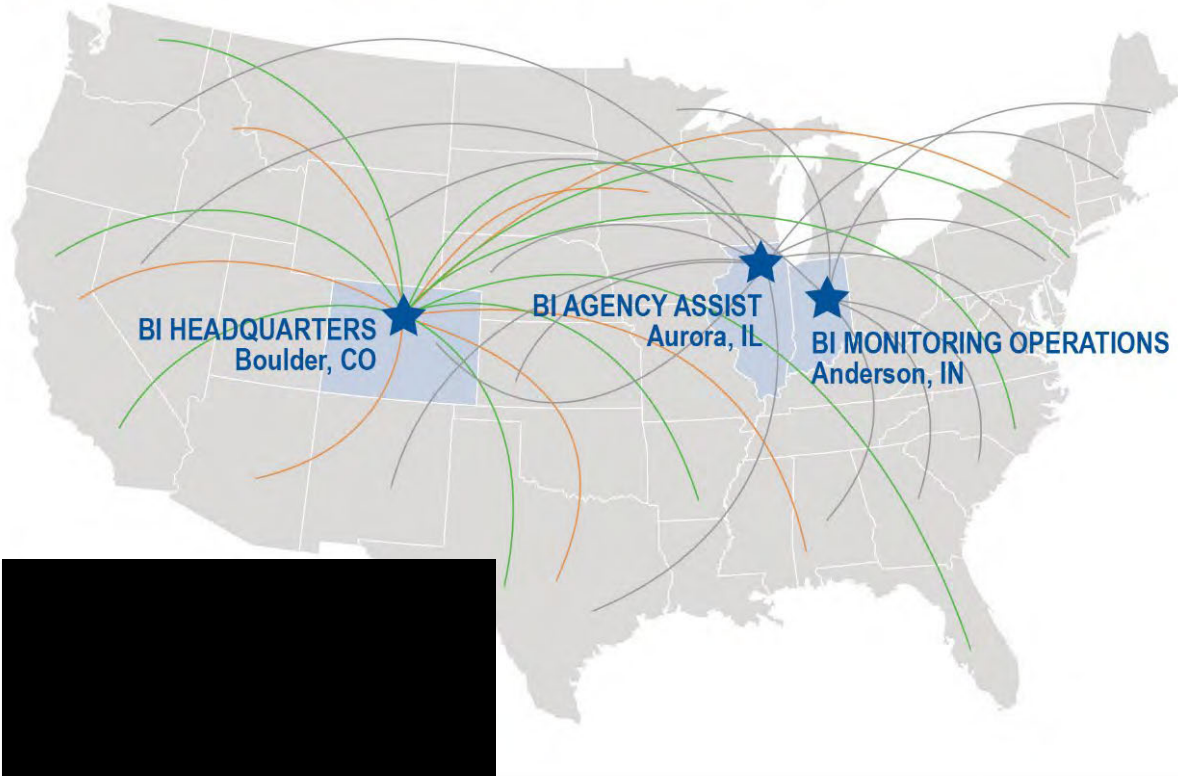
Category, Location	Summary of Product/Service
<p><b>Data Analytics Software</b> 3.1.5.8, page 182</p>	<p><b>Analytics Suite:</b> <i>Comprehensive analytics engine to monitor officer's alert processing trends and client behavioral patterns.</i></p> <p>BI Analytics is an enhanced feature of TotalAccess that uses advanced technologies to analyze the large amounts of data produced by GPS monitoring. The tools within Analytics let officers easily identify client patterns and pinpoint risky behaviors—allowing the officers to focus on the highest risk individuals. In addition, BI Analytics provides powerful tools for administrators to assess overall program health and operating efficiencies. By evaluating officer effectiveness, agency stakeholders can determine if an officer is overwhelmed or not following alert closure protocols. For example, supervisory personnel can run officer performance metrics that detail the number of alerts per client, average close time, and alert distribution activities.</p> 
<p><b>Online Monitoring Software</b> 3.1.5.9, page 190</p>	<p><b>TotalAccess and Web Services:</b> <i>A suite of software solutions provides consolidated data and actionable information to direct officer priorities.</i></p> <p>Designed for maximum flexibility and usability, TotalAccess provides agency personnel with 24/7/365 access to all electronic monitoring data. TotalAccess is highly customizable, capable of sending automated notifications in accordance with agency procedures, and includes more than 40 predefined reports. Additional advantages and features of TotalAccess includes advanced GPS mapping capabilities, highly accessible and secure login protocols, and the ability to manage every aspect of the agency's electronic monitoring program, regardless of the type of equipment used. BI offers our web services solution to support TotalAccess data integration with agency systems.</p> 
<p><b>Other, Optional Solutions</b> 3.5, page 265</p>	<p><b>Other, Optional Solutions:</b> <i>Additional products and services to enhance electronic monitoring programs and reduce officer workload.</i></p> <p>BI offers a complete continuum of monitoring solutions not specifically required by the City of Mesa or OMNIA Partners, for example:</p> <ul style="list-style-type: none"> <li>• Drug and alcohol testing</li> <li>• Day Reporting Centers for adult and juvenile clients</li> <li>• Field services, including electronic monitoring device installation, maintenance, and removal</li> <li>• Victim alert devices</li> </ul> 

*B. Describe how supplier proposes to distribute the products/service nationwide. Include any states where products and services will not be offered under the Master Agreement, including U.S. Territories and Outlying Areas.*

Providing prompt equipment and service delivery to customers throughout the United States is one of BI's founding pillars of operational excellence. BI currently provides equipment and services to agencies in every state and has the ability to provide equipment to all U.S. Territories and outlying areas. During the ensuing contract term, BI will continue to prioritize delivering equipment to Participating Public Agencies.

With our manufacturing center based in Boulder, CO and our Monitoring Operations in Aurora, IL and Anderson, IN, we are ideally positioned to offer our wide continuum of technologies and services. The following figure summarizes BI's ability to distribute solutions on a nationwide basis.

## NATIONAL PRODUCT AND SERVICE DISTRIBUTION



**Figure 10. National Product and Service Distribution**

BI's ability to consistently and reliably deliver products and services differentiates our organization from the competition, as our national footprint and current operations are sufficiently staffed and organized to immediately partner with the City and Participating Public Agencies.

As further evidence of our ability to produce and ship large quantities of equipment, please consider the following metrics:



<sup>1</sup> Active offender counts vary on a daily basis. Metrics within this section are approximate.

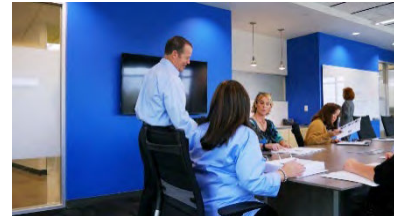
C. Describe how Participating Agencies are ensured they will receive the Master Agreement pricing; include all distribution channels such as direct ordering, retail or in-store locations, through distributors, etc. Describe how Participating Agencies verify and audit pricing to ensure its compliance with the Master Agreement.

**Master Agreement Pricing**

To ensure Participating Agencies receive the new *Master Agreement* pricing, BI Partnership Development Directors will proactively contact all agencies currently using the agreement. We will implement our established contract execution Standard Operating Procedures to directly execute the agreement with each agency. With a nationwide salesforce of more than 25 dedicated account management professionals, we anticipate this process with cause minimal—if any—disruptions to OMNIA Partners or using agencies.

**Distribution Channels**

As the Original Equipment Manufacturer for all proposed solutions, all distribution channels are managed internally at BI’s corporate location in Boulder, Colorado, and with the assistance of our dedicated account management professionals located throughout the nation. BI’s Partnership Development professionals are located throughout the nation and are very involved in the distribution process to support the agencies we serve. Electronic monitoring vendors do not operate retail locations, as our solutions are not commercially available.



**Figure 11. Organization-Wide Commitment**

Every division of the BI organization remains committed ensuring we operate the *Master Agreement* with the highest level of fidelity to the contract.

**Pricing Audits**

BI has established pricing auditing processes to ensure fidelity to the *Master Agreement* pricing. We use several layers and types of audits, throughout the contract and procurement process, to ensure compliance with *Master Agreement* provisions. Examples of BI teams responsible for auditing include our finance, contracts, and account management departments.

In addition, BI renews our Pricing Commitments with OMNIA Partners, as summarized below.

Table 9. Pricing Commitments	
BI Commits	Pricing Commitments
✓	The not-to-exceed pricing provided under the <i>Master Agreement</i> pricing is BI’s lowest available (net to buyer) to Public Agencies nationwide
✓	If a Participating Public Agency is eligible for lower pricing through a national, state, regional or local or cooperative contract, the Supplier will match such lower pricing to that Participating Public Agency under the <i>Master Agreement</i>

D. Identify all other companies that will be involved in processing, handling or shipping the products/service to the end user.

BI manufactures all devices—significantly streamlining the processing and shipping of our solutions. BI’s internal Customer Business Services department coordinates the shipment of orders. Companies involved in processing, handling, and shipping BI solutions include:

- BI—Original Equipment Manufacturer, solution developer
- Sytline—Enterprise Resource Platform (ERP) provider
- FedEx—Courier service



*E. Provide the number, size and location of Supplier's distribution facilities, warehouses and retail network as applicable.*

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As illustrated in *Figure 9. National Support Location Presence* on page 28, BI's distribution facility is located at our Boulder, CO corporate office and manufacturing facility. Monitoring Operations housed in Anderson, IN and Aurora, IL serve as support centers for our continuum of solutions and can be available to assist with product distribution as exceptional circumstances may dictate.

### 2.2.2.3 Marketing and Sales (RFP Attachment C, Exhibit A, Section 3.3)

Ensuring that the electronic monitoring industry is aware of the OMNIA Partners *Master Agreement* is foundational to supporting the future of the ensuing contract. BI will leverage an established approach—based on 8 years supporting the OMNIA Partners’ objectives—to promote the use of the *Master Agreement*. Central to our marketing and sales approach is the combined efforts of our Partnership Development and Marketing Departments, as summarized by the following figure.

## OMNIA PARTNERS MARKETING AND SALES STRATEGY



**Figure 12. OMNIA Partners Marketing and Sales Strategy**

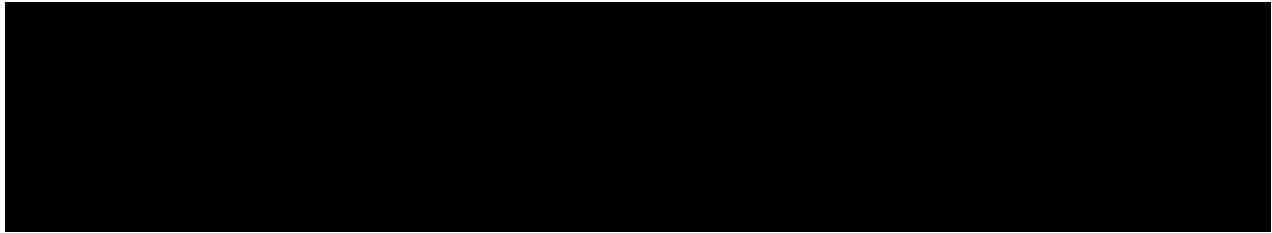
Throughout the last contract term, BI proved that our organization is effective and reliable at growing and promoting the use of the OMNIA Partners *Master Agreement*.

As the incumbent provider for the OMNIA Partners *Master Agreement*, BI has the established infrastructure, staffing plan, resources, and proven experience to successfully market our continuum of solutions to government agencies via the OMNIA Partners *Master Agreement*. BI has consistently grown the *Master Agreement*, demonstrating to be a valuable partner as evidenced by our year-over-year growth.

Key aspects of our approach to promote the usage of the *Master Agreement* include:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

- Dedicated resources to work with OMNIA Partners personnel on the development and maintenance of the BI microsite on the OMNIA Partners website



BI's proven and established Partnership Development and Account Management teams are experienced with promoting the OMNIA Partners *Master Agreement*, providing BI with a competitive edge—our nationwide salesforce has an innate understanding of how to position OMNIA Partners as the first and most advantageous method of procuring electronic monitoring solutions.

*A. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide, to include, but not limited to: i.) Executive leadership endorsement and sponsorship of the award as the public sector go-to-market strategy within first 10 days; and ii.) Training and education of Supplier's national sales force with participation from the Supplier's executive leadership, along with the OMNIA Partners team within first 90 days*



**i) Executive Leadership Endorsement**

BI and GEO executive leadership are eager to support the implementation of the new OMNIA Partners *Master Agreement*. BI can coordinate visits between OMNIA Partners representatives and BI/GEO executive leadership as frequently as is required, and we look forward to scheduling a visit within the first 10 days of contract award.

**ii) Training BI's Nationwide Salesforce**

Since our first OMNIA Partners (previously U.S. Communities) award in 2014, BI has continuously trained and educated our Sales and Marketing team about the benefits and critical nature of the *Master Agreement*. Our team intends to continue sharing best practices concerning this contracting vehicle not only during our team summits, but also through inter-office memorandums and email correspondence.

In addition to training and educating our Partnership Development staff to cultivate expertise pertaining to the OMNIA Partners contract process, we routinely discuss and review our OMNIA Partners progress on a monthly, quarterly, annual, and ad-hoc basis. Since 2014, BI has:

- Held regularly scheduled meetings with OMNIA Partners staff
- Provided OMNIA Partners trainings for our Sales and Marketing staff at our annual and bi-annual sales conferences



**Figure 13. Nationwide Salesforce**  
BI remains committed to training our sales and marketing teams, in collaboration with OMNIA Partners administration, as appropriate, throughout the next contract term.

- Encouraged outreach and collaboration with the OMNIA Partners Regional Managers, marketing department, and leadership/administrative personnel



*B. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award, to include, but not limited to:*

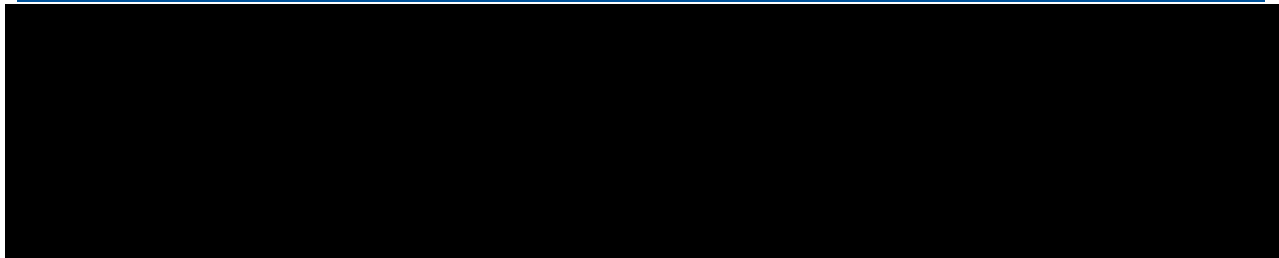
**Go-To-Market Strategy**



- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]



**Figure 14. OMNIA Partners Advertisement**  
BI remains committed to continuing creating ad campaigns, in collaboration with OMNIA Partners administration, as appropriate, throughout the next contract term.



**90-Day Implementation Plan**

**Phase I—Kickoff and Planning.** Key aspects of this phase include:

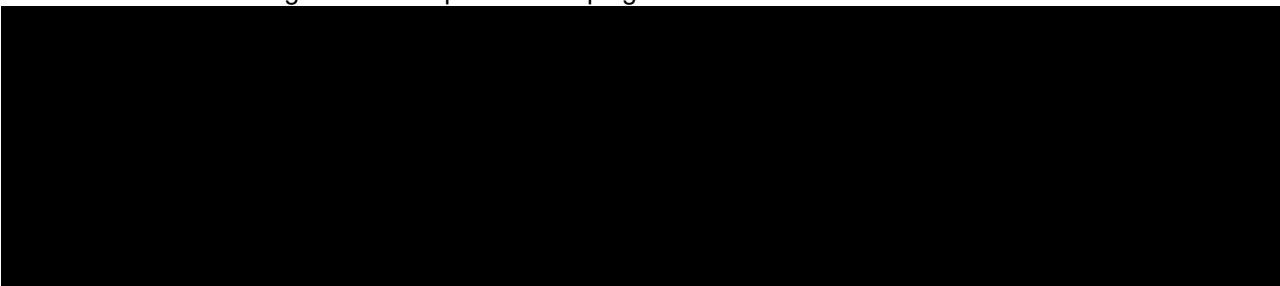
- Negotiate, finalize, and execute the contract
- Finalize marketing and sales goals, objectives, and contract milestones
- Define marketing specifications, answer questions, and finalize GTM calendar
- Announcement strategy including a press release, website updates, dedicated e-mail marketing, and social media promotion
- Design, draft, and receive approval on co-branded materials
- Determine applicable conferences for annual conference schedule
- Determine content calendar for blogs, e-mail marketing, e-newsletters, and social media promotion
- Determine calendar for digital advertising campaigns
- Determine advertising strategy with national and regional associations and trade publications (i.e., national APPA, ACA, NADCP, NAPSA; regional CSSA, CAPSA, CPOC, State chiefs/administrators councils, IACCAC, OCPOA, MASCA)
- Schedule quarterly meetings to review go-to-market strategy

**Phase II—Implementation.** Key aspects of this phase include:

- Implement deliverables outlined in Phase I
- Train the national salesforce on promoting the new OMNIA *Master Agreement*
- Provide content and visual assets in support of the BI microsite on OMNIA Partners website
- Update and issue our one-page OMNIA Partners *Master Agreement* hand out (see *Appendix G*)

**Phase III—Ongoing Implementation and Planning.** Key aspects of this portion phase include:

- Ongoing updates to materials and website to highlight new products, improvements, and advancements
- Attendance at conferences
- Ongoing collaboration and status meetings
- Review marketing metrics to optimize campaigns and outreach



**Compliance with RFP Requirements**

The following table aligns RFP Implementation Requirements with our implementation plan.

Table 10. 90-Day Marketing and Sales Plan		
#	Requirement	Implementation Phase
i.	Creation and distribution of a co-branded press release to trade publications	Phase I, II

**Table 10. 90-Day Marketing and Sales Plan**

#	Requirement	Implementation Phase
ii.	Announcement, <i>Master Agreement</i> details, and contact information published on the Supplier's website within first 90 days	Phase II
iii.	Design, publication, and distribution of co-branded marketing materials within first 90 days	Phase II
iv.	Commitment to attendance and participation with OMNIA Partners at national (i.e., NIGP Annual Forum, NPI Conference, etc.), regional (i.e., Regional NIGP Chapter Meetings, Regional Cooperative Summits, etc.) and supplier-specific trade shows, conferences, and meetings throughout the term of the <i>Master Agreement</i>	Phase III and ongoing
v.	Commitment to attend, exhibit, and participate at the NIGP Annual Forum in an area reserved by OMNIA Partners for partner suppliers. Booth space will be purchased and staffed by Supplier. In addition, Supplier commits to provide reasonable assistance to the overall promotion and marketing efforts for the NIGP Annual Forum, as directed by OMNIA Partners.	Phase III and ongoing
vi.	Design and publish national and regional trade advertising throughout the term of the <i>Master Agreement</i>	Phase III and ongoing
vii.	Ongoing marketing and promotion of the <i>Master Agreement</i> throughout its term (case studies, collateral pieces, presentations, promotions, etc.)	Phase III and ongoing
viii.	Dedicated OMNIA Partners internet web-based homepage on Supplier's website with: <ul style="list-style-type: none"> <li>• OMNIA Partners standard logo;</li> <li>• Copy of original Request for Proposal;</li> <li>• Copy of <i>Master Agreement</i> and amendments between Principal Procurement Agency and Supplier;</li> <li>• Summary of products and pricing;</li> <li>• Marketing materials</li> <li>• Electronic link to OMNIA Partners' website including the online registration page;</li> <li>• A dedicated toll-free number and email address for OMNIA Partners</li> </ul>	Phase II, III, and ongoing

**C.** Describe how Supplier will transition any existing Public Agency customers' accounts to the *Master Agreement* available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Supplier holds and describe how the *Master Agreement* will be positioned among the other cooperative agreements.

**Transitioning to the Master Agreement**

To transition agencies to the new *Master Agreement*, BI will leverage our nationwide salesforce, established internal processes, and tenured, internal contracts management department. This simple process will include:

1. The assigned Partnership Development Director will contact the agency (for regional territory assignments, see Figure 8 on page 27)
2. The BI Partnership Development Director will initiate our internal processes with the BI contracts department
3. BI Finance Department will audit the conditions with the Omnia agreement to ensure compliance with the *Master Agreement* and support the audit process detailed earlier
4. The BI contract team sends the draft contract to the agency
5. The agency signs the contract, a BI authorized individual signs the contract, and the contract is executed

### Current Cooperative Contracts

BI currently holds the following cooperative contracts:

- OMNIA Partners *Master Agreement*

█ [REDACTED]  
█ [REDACTED]  
█ [REDACTED]  
█ [REDACTED]

### Positioning Against other Cooperative Agreements

[REDACTED]

[REDACTED]

*D. Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.*

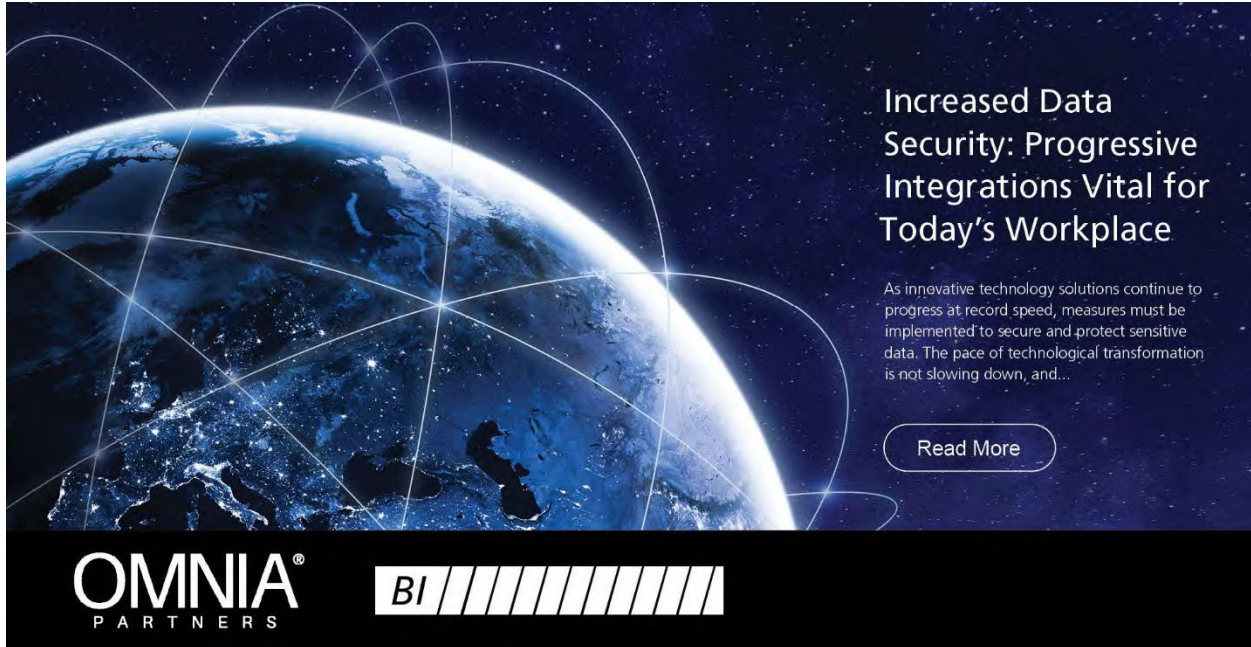
BI will provide our corporate logo to OMNIA Partners, and we provide permission for the reproduction of the logo in marketing communications and promotions based on our corporate guidelines noted below. BI will receive approval from OMNIA Partners prior to using the organization's logo.

- BI logo cannot be placed on a graphic background
- BI logo requires a minimum of 1/4 inch clearance from other text/graphics
- BI logos should not be reproduced at sizes where the word BI is smaller than 1/4 inch from top to bottom to ensure that all components of the corporate signature are reproduced legibly

*E. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Supplier's sales initiatives should communicate (requirements repeated in table below).*

BI will remain committed to proactively promoting and expanding the OMNIA Partners brand throughout the life of the ensuing contract. We will accomplish this by two major means: driving consumers to the OMNIA Partners website and soliciting agencies directly.

**1. Directing Consumers to OMNIA Partner’s Website.** Whenever BI releases co-branded promotional material, we will direct the audience back to the OMNIA Website. Examples include banner ads, email communications, case studies, blog posts, and other communications.



**Figure 15. Co-Branded Marketing Materials**

Throughout the last contract term, BI proved that our marketing department can collaborate with OMNIA Partners personnel to develop visually appealing marketing materials. These advertisements direct customers to the OMNIA Partners website.

**2. Direct Marketing Strategies.** BI will continuously advertise that we are the *Master Agreement* contract holder on our website, marketing materials, and through unsolicited proposal initiatives. We will use these strategies to encourage agencies to avoid the competitive bid process and select the OMNIA Partners *Master Agreement*.

The following table confirms that we will include all RFP required topics in our sales materials.

Table 11. Sales Initiative Communications		
#	Requirement	BI Complies
i.	Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency	✓
ii.	Best government pricing	✓
iii.	No cost to participate	✓
iv.	Non-exclusive	✓

*F. Confirm Supplier will train its national sales force on the Master Agreement. At a minimum, sales training should include: i.) Key features of Master Agreement; ii.) Working knowledge of the solicitation process; iii.) Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners; and iv.) Knowledge of benefits of the use of cooperative contracts.*

Upon award, BI will develop and implement a formal sales force training strategy. This strategy will mirror our current training practices, which have proven to be effective in expanding the use of the OMNIA Partners *Master Agreement* on a nationwide basis. The foundation of our process to train the BI sales team is ensuring accurate education on the terms, conditions, pricing approach, and promotion strategies.



BI's initial training strategy to introduce our team to the new OMNIA Partners *Master Agreement* will be held over video conference and will include the entire Partnership Development department, including Partnership Development Directors, Account Executives, and Account Managers.

In addition to initial training, BI will conduct ongoing sessions to ensure our entire organization remains prepared to successfully promote the OMNIA *Master Agreement* as the cooperative purchasing vehicle evolves. Example of ongoing training activities include:

- Discussing ongoing unsolicited proposals initiatives for competitor accounts and agencies serviced by BI through other contract vehicles
- Reviewing OMNIA Partner's-specific training materials as new visual and content assets are developed (see *Appendix G* for an example)
- Conducting bi-weekly Partnership Development Director meetings to discuss OMNIA Partners promotion, challenges, objectives, and evolving needs
- Holding monthly calls with the entire Partnership Development department for OMNIA Partners *Master Agreement* strategy reviews
- Developing, providing, and updating internal materials that outline *Master Agreement* pricing and sales strategies
- Conducting regular, quarterly meetings with Marketing and Partnership Development leadership teams to outline sales and promotional strategies

The following graphic provides a summary of our ability to meet RFP sales force training requirements.

## NATIONAL SALES TEAM OMNIA PARTNERS MASTER AGREEMENT



**Figure 16. Sales Training Approach**

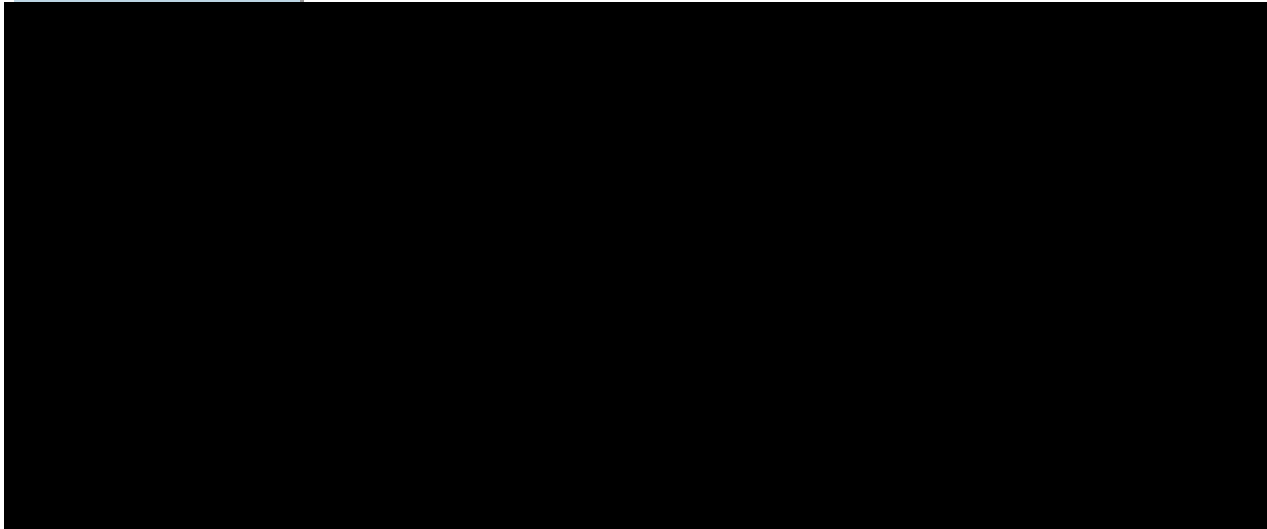
BI has an established process—built on two previous iterations of the OMNIA Partners *Master Agreement*—to ensure every level of our organization provides initial and ongoing training resources to our nationwide Partnership Development department.

*G. Provide the name, title, email and phone number for the person(s), who will be responsible for (requirement repeated in table below).*

BI will support the City and OMNIA Partner's operations throughout the life of the contract. The agency will be fully supported by a comprehensive range of BI tenured experts throughout the life of a contract, as detailed be the following table.

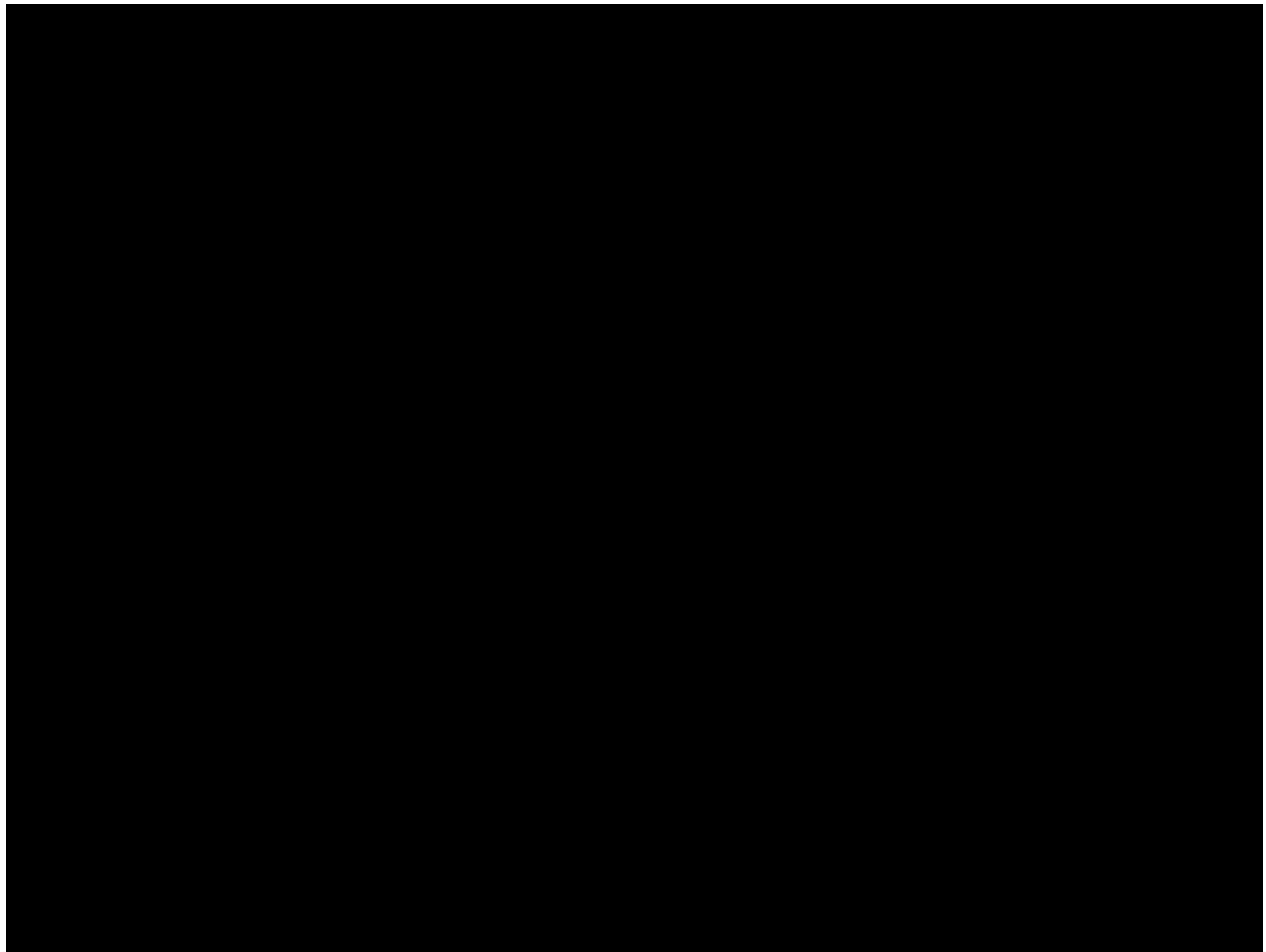
**Table 12. Key Points of Contact**

Type	BI Contact
------	------------

A large black rectangular redaction box covers the entire content area of the table, obscuring all data points.

*H. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.*

The following figure summarizes the structure of BI's national sales force.



The BI Partnership Development team includes highly tenured professionals that have decades of experience with electronic monitoring programs of various size and scope. This department of BI is a nationwide operation comprised of a Vice President, Regional Managers, Partnership Development Directors, a National Account Manager, Account Executives, and Account Support located across the U.S. Mr. Robert Murnock is the Vice President of Partnership Development, and the highest-level executive in charge of the sales team. Please refer to the previous table for his contact information.

*I. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program.*

BI will work collaboratively with the OMNIA Partners team throughout the next term of the *Master Agreement* to implement, grow, and service the national program. This will be accomplished through ongoing formal and informal quarterly meetings and communications, continuing to drive website traffic to the OMNIA Partners website through web-based advertising and in-person promotion at industry conferences, directly soliciting the agreement, and continually reporting on promotion metrics and successes. This will enable BI to continue to expand the OMNIA Partners brand in the electronic monitoring marketplace.

#### Partnership Development Team

*The Partnership Development team ensures that each program receives comprehensive training, onsite support, inventory assistance, and ongoing program improvements in accordance with contract requirements and each agency's unique needs and goals. BI's skillful and accomplished managers and support staff will benefit the agency by mitigating transition risks and offering program familiarity.*

*I. Explain in detail how Supplier will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.*

#### Ongoing Marketing and Sales Efforts

BI will manage the national program through quarterly business meetings that provide details on trends in the industry, business updates, procurement updates, ongoing marketing campaigns and progress, messaging needs, and sales priorities. To supplement these meetings, BI Marketing and Sales teams hold additional informal meetings to discuss topics as they arise. BI Marketing and Sales personnel are available to meet OMNIA Partners representatives as needed and are encouraged to collaborate with OMNIA Partners Regional Managers regularly.

BI has demonstrated our willingness to meet with OMNIA Partners throughout our partnership, as is evidenced by our have regular bi-monthly and quarterly meetings.

#### New Accounts and Contract Administration

To set up new agencies to procure off the *Master Agreement*, BI will enact the following contract administration process:

1. The assigned Partnership Development Director will contact the agency (for regional territory assignments, see *Figure 8* on page 27)
  - a. After contract award, BI will create a generic contract template that includes OMNIA Partners *Master Agreement* terms, conditions, and pricing—this will expedite the contract process
2. The BI Partnership Development Director will initiate our internal processes with the BI contracts department
3. The BI contract team sends the draft contract to the agency
  - a. The agency has the opportunity to adjust language to support agency-specific contracting requirements
4. The agency signs the contract, a BI authorized individual signs the contract, and the contract is executed

- 5. After contract execution, the agency can immediately place orders for BI's continuum of services and technologies

*J. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.*

Unique to the industry, BI is a single source solution that offers a continuum of electronic monitoring solutions without relying on third parties.

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted] ncy inquires; BI does not need to rely on the response of a third-party to meet agency needs



**Figure 18. Tenured Team**

BI's key personnel have decades of experience working directly with judges, offenders, agents, and procurement personnel to ensure electronic monitoring programs are accurately meeting agency objectives and improving public safety.

As requested, the following table lists BI's largest OMNIA Partners customers.

**Table 13. Top Ten Public Agency Customers on the OMNIA Partners Master Agreement**

Agency	Contact	Total Purchases Previous FY	Current OMNIA User
--------	---------	--------------------------------	--------------------

[Redacted Table Content]

*K. Describes capabilities and limitations regarding order management through receipt of payment, including description of multiple platforms that may be used for any of these functions.*

With the understanding that billing accuracy is paramount to operating a cost-effective program, BI has an established *Standard Operating Procedure* that ensures timely, accurate, and compliant billing and invoicing practices. Managed by BI's Customer Business Services based in our corporate headquarters, our billing specialists have an average tenure of nearly nine years, evidencing the reliability and accuracy of our order processing professionals.

### Equipment Ordering and Delivery

BI will submit invoices to Participating Public Agencies on a monthly basis. BI billing for active units begins when an individual unit is activated and terminates when the unit is deactivated. Customer Business Services is responsible for all customer finance issues. This includes performing billing and collections functions and managing Accounts Receivable.

Once an agency places an order via phone or email, the BI engages in the following process:

1. A live specialist enters the request into BI's Enterprise Resource Planning (ERP) system, Syteline
2. BI processes that order and the shipment is posted against the request in Syteline
3. FedEx picks-up and delivers the product
4. BI generates an invoice from Syteline based on shipment information
5. BI invoices the agency in accordance with contractual requirements
  - a. In general, BI fulfills orders at no additional cost, as the contract provides for billing based on actively monitored clients per day
  - b. Billing occurs at the end of each month, based on usage

### Invoicing and Billing

BI's invoicing and billing *Standard Operating Procedure* consists of the following key components:

1. Generate an invoice in accordance with agency documentation requirements. BI will:
  - a. Organize invoice information to reflect each of the agency's requirements
  - b. Provide equipment utilization and invoiced totals for each billing area
  - c. Identify how we determine when a device is active or inactive in the agency's inventory
  - d. Include any additional required documentation
2. Run supplemental billing reports that include:

<ul style="list-style-type: none"><li>○ Subject name and case ID number</li><li>○ Referring officer name and Region</li><li>○ Subject SID number</li><li>○ Description and serial number of the equipment/device</li><li>○ The date each leased device was shipped to the agency</li></ul>	<ul style="list-style-type: none"><li>○ The date each leased device was returned from the agency</li><li>○ Price per unit per day</li><li>○ Total cost per subject for each activation plan</li><li>○ Total cost per region</li><li>○ Contract Number</li></ul>
--	---

#### ISO-Certified Billing Processes

*BI will submit invoices to the agency on a monthly basis. BI billing for active units begins when an individual unit is activated and terminates when the unit is deactivated.*

3. Use ISO-certified auditing and quality control processes to verify that all invoice information is accurate prior to sending to the agency
4. Send the invoice to individual identified in the Purchase Order
5. Comply with all other agency invoicing practices

*L. Provide the Contract Sales (as defined in Section 12 of the OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement (“Guaranteed Contract Sales”).*

---

BI has appreciated the cooperation and growth experienced with OMNIA Partners since the beginning of this partnership in 2014 with, at that time, U.S. Communities. OMNIA Partners was unknown in the electronic monitoring industry and BI is proud to have been not just benefitting from earning a position on this national contract, but to have proven our ability to position and successfully sell the *Master Agreement* to this market as a benefit to criminal justice agencies across the country.

[REDACTED]

Per Addendum 1, answer to question 28, the agency clarified that “respondents are requested but not required to provide a guarantee of sales in this section.”

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

*M. Even though it is anticipated many Public Agencies will be able to utilize the Master Agreement without further formal solicitation, there may be circumstances where Public Agencies will issue their own solicitations. The following options are available when responding to a solicitation for Products covered under the Master Agreement.*

---

BI has appreciated our partnership with OMNIA Partners in large part because it provides a needed, value-add service to our customers. Beyond avoiding a solicitation, the OMNIA Partners *Master Agreement* provides a full continuum of products and services at responsible, low costs that would otherwise not be accessible to smaller agencies. The flexibility, ease of access and effectiveness has been proven by our account growth with OMNIA Partners over the years.

BI’s approach to getting prospective customers to use the OMNIA Partners *Master Agreement* instead of issuing a formal solicitation is a simple one. The process to utilize a cooperative procurement option starts with education. In addition to marketing and promotion of this contract, our entire sales organization spends time educating our customers on the benefits of using a competitively bid, cooperative procurement option. Quite candidly, many are not familiar with the leading cooperative procurement

choices that exist nor what it means to procure services in this manner. Upon explanation, agencies can then immediately see the benefits to them. These include the saving of their time, resources and effort required with managing their own procurement.

The next step continues with education about the services that can be provided under the *Master Agreement* and ease of use. This is the strength of working with OMNIA Partners as all of BI's products and services are listed, thus giving agencies a choice in not what we think they want, but to provide what potential customers need. This creates a reasonable, costs effective offering.

The majority of our customers utilizing the OMNIA Partners *Master Agreement* are smaller to medium sized accounts. They tend to benefit the most via the purchasing power of a large, cooperative purchasing option that offers a full continuum of services at rates available to larger programs. However, being competitively bid, large accounts have benefitted as well. We position OMNIA Partners as our leading message to both agencies that have not released a solicitation and even those that have done so. For the latter, if appropriate, we will either ask questions during the formal question and answer process if a cooperative purchasing contract is an option, or we may reference in the *Master Agreement* a full proposal response. There have also been solicitations in which BI has only submitted an offering by using the OMNIA Partners *Master Agreement* as our formal response for consideration.

As the incumbent provider, BI is familiar with responding to public solicitations while maintaining fidelity to the *Master Agreement*. The following table confirms our compliance with RFP requirements.

Table 14. Responding to Solicitations		
#	Requirement	BI Complies
i.	Respond with <i>Master Agreement</i> pricing (Contract Sales reported to OMNIA Partners)	✓
ii.	If competitive conditions require pricing lower than the standard <i>Master Agreement</i> not-to-exceed pricing, Supplier may respond with lower pricing through the <i>Master Agreement</i> . If Supplier is awarded the contract, the sales are reported as Contract Sales to OMNIA Partners under the <i>Master Agreement</i> .	✓
iii.	Respond with pricing higher than <i>Master Agreement</i> only in the unlikely event that the Public Agency refuses to utilize <i>Master Agreement</i> (Contract Sales are not reported to OMNIA Partners).	✓
iv.	If alternative or multiple proposals are permitted, respond with pricing higher than <i>Master Agreement</i> , and include <i>Master Agreement</i> as the alternate or additional proposal.	✓

**Agreement with Attachment C, Exhibit B**

*b. The successful offeror will be required to sign Attachment C, Exhibit B, OMNIA Partners Administration Agreement. Offerors should have any reviews required to sign the document prior to submitting a response. Offeror's response should include any proposed exceptions to the OMNIA Partners Administration Agreement.*

BI has thoroughly reviewed *Attachment C, Exhibit B, OMNIA Partners Administration Agreement*, and we agree to sign the document upon the agency's request. BI does not have any exceptions to the *OMNIA Partners Administration Agreement*.

## 2.3 Senior and Technical Staff

Key BI personnel will dedicate the time and resources needed to ensure that the agency’s program is established in an expedient and effective manner. All levels of BI’s organization will be engaged in the process from contract execution to full implementation. BI is able to devote resources to meet the specific needs of the agency. The key BI personnel involved in implementation and operation of the OMNIA Partners *Master Agreement* include:

**Experienced Project Team**

*Our team has more than 172 years of experience supporting electronic monitoring programs. Our key personnel will be responsible for managing all the deliverables and requirements associated with this BI’s solution.*

- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]
- █ [Redacted]

3. Identification of senior and technical staff of Respondent to be assigned to the City. Staff named in the Response may not be substituted without permission of the City. Include in the Response resumes and relevant experience.

Community supervision programs rely on the experience and technologies of vendors to ensure officers have the tools needed to accurately monitor caseloads on a 24/7/365 basis. Experienced contractors familiar with the complexities of electronic monitoring technology and systems can increase user confidence and public safety. As the first company to monitor individuals mandated to house arrest and GPS tracking, BI’s experience is unparalleled.

The following table summarizes the experience of the personnel associated with BI’s solution.

Table 15. Team Experience: Matrix				
Name, Title	Years of Experience			
	With BI	Supporting EM Programs	Supporting Arizona Agencies	Supporting OMNIA Partners
[Redacted Table Content]				



**Table 15. Team Experience: Matrix**

Name, Title	Years of Experience			
	<i>With BI</i>	<i>Supporting EM Programs</i>	<i>Supporting Arizona Agencies</i>	<i>Supporting OMNIA Partners</i>

For resumes of our proposed personnel, see *Appendix C*.

## Tab 3—Program Description and Method of Approach

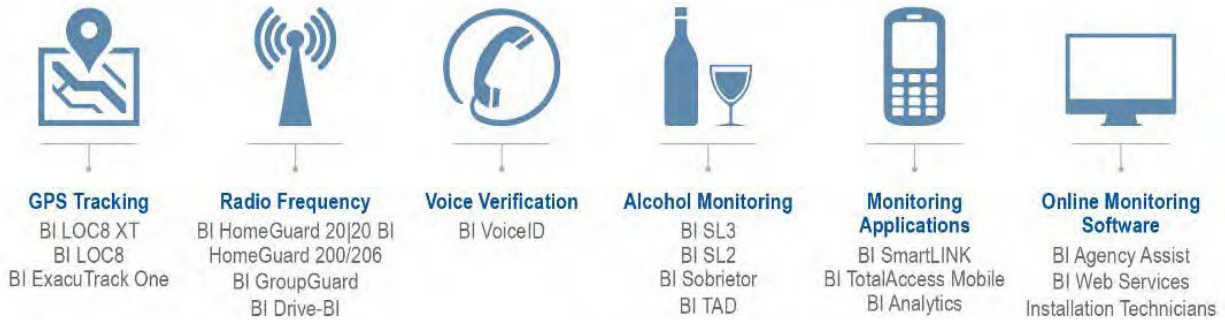
Monitoring individuals in community supervision programs requires solutions based on years of innovation, experience, and responsive services. Successful program operations rely not just on accurate equipment, but also the ability to support 24/7 operations, manage inventory, and develop solutions that evolve in tandem with shifting agency’s needs.

This section of our proposal provides detailed information on BI’s proposal to meet and exceed all technical equipment, software, and services requirements. As an organization completely dedicated to community supervision programs—and as the incumbent provider to the City of Mesa and OMNIA Partners—BI is uniquely positioned to support the government into the future. In alignment with requirements, our proposed solution is summarized by the following six categories contained within *RFP Section 4: Response Format*.

### 1. Services, Equipment, and Software

Unique to the industry, BI is a single source solution that offers a continuum of electronic monitoring solutions without relying on third parties. We confirm that our full continuum of services and equipment succinctly aligns with the deliverables in the agency’s RFP. The following figure summarizes the continuum of monitoring solutions available to the City of Mesa and OMNIA Partners.

#### BI CONTINUUM OF MONITORING SOLUTIONS



**Figure 19. Continuum of Monitoring Solutions**

BI has a comprehensive understanding the unique needs of the agency and will provide the most advanced supervision monitoring technologies available.

BI provides detailed descriptions of each proposed, service, equipment, and software solution within this section of our proposal; see *Proposal Section 3.1.5—Product Specifications* on page 114.

### 2. Maintenance and Support

BI fully understands the importance of high-quality maintenance and support available around the clock. As a leading provider in this industry, BI delivers comprehensive support, operations, and maintenance. BI’s maintenance and support infrastructure includes the following key components:

- **Monitoring Operations.** BI’s Monitoring Operations Centers, located in Indiana and Illinois, are the first tier of support for the agencies we serve. Monitoring Specialists are physically present within the operations center 24/7/365 to provide live customer service such as client enrollment, schedule modifications, equipment inventory, troubleshooting, client status checks, software assistance, reports, and on-time alert notification.
- **Technical Infrastructure Support.** Our primary and secondary data center locations each include a team of Technical/Information Systems personnel for support and tactical response for our monitoring systems and infrastructure. Our automated tools and team of technicians continuously

monitor our network infrastructure and server applications to ensure uninterrupted service, enhanced performance, and streamlined operations.

See page 103 for additional information about our support and maintenance approach.

### 3. Transition Plan

BI will dedicate the time and resources needed to ensure that the next contract term of the City of Mesa and OMNIA Partner's *Master Agreement* program is established in an expedient and effective manner. All levels of BI's organization will be engaged in the process from contract execution to full implementation.

Detailed information about our implementation approach is provided on page 106.

### 4. Environmental

Among companies that offer electronic monitoring products and services, BI is a market leader in the adoption of environmentally friendly practices, including energy efficiency and recycling of materials. Highlights of BI's energy and environmental initiatives include:

- Complying the Waste Electrical and Electronic Equipment Directive (WEEE) and the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS)
- Recycling batteries, electrical switchboards, and transmitter latches and straps
- Recycling cardboard, paper, aluminum, glass, and plastics
- Using recycled paper for marketing items such as solicitation responses, pamphlets, and flyers.
- Complying with the guidelines of the Boulder Building Performance Program



**Figure 20. Environmental Practices**  
BI complies with a local Boulder County, Colorado ordinance that “requires actions that reduce energy use and improve the quality of Boulder’s commercial and industrial building stock.”

Please see *Proposal Section 3.3—Environmental* on page 263.

### 5. Additional Information

BI offers a complete continuum of monitoring solutions not specifically required by the City of Mesa or OMNIA Partners, for example:

- BI Mobile, our secured device with SmartLINK Verify pre-installed
- Drug and alcohol testing
- Day Reporting Centers for adult and juvenile clients
- Field services, including electronic monitoring device installation, maintenance, and removal
- Victim alert devices

We detail these solutions in *Proposal Section 3.5—Additional Information* on page 265.

### 6. Reporting Capabilities

TotalAccess includes more than 40 standard reports regarding client activity, violations and alerts, caseload statistics, equipment inventory, and historical data. Users can schedule reports for automated delivery to an email address, as well as export reports from TotalAccess to Word, Excel, CSV or PDF applications.

See *Proposal Section 3.6—Reporting Process* on page 268 for detailed information about TotalAccess reporting capabilities.

### 3.1 Scope of Work Response

This section of BI’s proposal provides our method and approach to meeting or exceeding all requirements within the *RFP Scope of Work*. To ease evaluator review, we have aligned this section to correlate with *Scope of Work* requirements, including:

1. Intent
2. National Contract
3. General Information
4. General Scope
5. Product Specifications
6. Other Scope of Work Requirements

#### 3.1.1 Intent

BI understands that the intent of this solicitation is to provide OMNIA Partners Participating Public Agencies with products, services, and solutions to meet their various needs for Offender Monitoring Solutions. We will leverage our continuum of innovative technologies, responsive services, and agile software solutions to continue to support OMNIA Partners objectives as we have since 2014.

#### 3.1.2 National Contract

As a trusted vendor that is the incumbent provider for the national contract, BI acknowledges and complies with all national contract provisions, as summarized below.

**Table 16. Compliance with National Contract Provisions**

#	Requirement	BI Complies
1	The City of Mesa, as the Principal Procurement Agency, defined in Attachment C, has partnered with OMNIA Partners, Public Sector (“OMNIA Partners”), to make the resultant contract (also known as the “ <i>Master Agreement</i> ” in materials distributed by OMNIA Partners) from this solicitation available to other public agencies nationally, including state and local governmental entities, public and private primary, secondary and higher education entities, non- profit entities, and agencies for the public benefit (“Public Agencies”), through OMNIA Partners’ cooperative purchasing program.	✓
2	The City of Mesa is acting as the contracting agency for any other Public Agency that elects to utilize the resulting <i>Master Agreement</i> . Use of the <i>Master Agreement</i> by any Public Agency is preceded by their registration with OMNIA Partners (a “Participating Public Agency”) and by using the <i>Master Agreement</i> , any such Participating Public Agency agrees that it is registered with OMNIA Partners, whether pursuant to the terms of a Master Intergovernmental Cooperative Purchasing Agreement, a form of which is attached hereto on Attachment C, or as otherwise agreed to. Attachment C contains additional information about OMNIA Partners and the cooperative purchasing program.	✓
3	OMNIA Partners is the largest and most experienced purchasing organization for public and private sector procurement. Through the economies of scale created by OMNIA Partners public sector subsidiaries and affiliates, National IPA and U.S. Communities, our participants now have access to more competitively solicited and publicly awarded cooperative agreements.	✓
4	The lead agency contracting process continues to be the foundation on which we are founded. OMNIA Partners is proud to offer more value and resources to state and local government, higher education, K-12 education, and non-profits.	✓
5	OMNIA Partners provides shared services and supply chain optimization to government, education, and the private sector.	✓
6	With corporate, pricing and sales commitments from the Contractor, OMNIA Partners provides marketing and administrative support for the Contractor that directly promotes the Contractor’s products and services to Participating Public Agencies through multiple channels, each designed to promote specific products and services to Public Agencies on a national basis.	✓

**Table 16. Compliance with National Contract Provisions**

#	Requirement	BI Complies
7	Participating Public Agencies benefit from pricing based on aggregate spend and the convenience of a contract that has already been advertised and publicly competed.	✓
8	The Contractor benefits from a contract that generally allows Participating Public Agencies to directly purchase goods and services without the Contractor's need to respond to additional competitive solicitations. As such, the Contractor must be able to accommodate a nationwide demand for services and to fulfill obligations as a nationwide Contractor and respond to the OMNIA Partners documents (Attachment C).	✓
9	The City of Mesa anticipates spending approximately \$61,000.00 over the full potential <i>Master Agreement</i> term for Offender Monitoring Solutions. While no minimum volume is guaranteed to the Contractor, the estimated annual volume of Offender Monitoring Solutions purchased under the <i>Master Agreement</i> through OMNIA Partners is approximately \$50 million.	✓
10	This projection is based on the current annual volumes among the City of Mesa, other Participating Public Agencies anticipated to utilize the resulting <i>Master Agreement</i> to be made available to them through OMNIA Partners, and volume growth into other Public Agencies through a coordinated marketing approach between the Contractor and OMNIA Partners.	✓

**3.1.3 General Information**

BI is proposing the broadest possible selection of Offender Monitoring Products, Services, and Solutions offered by our organization. As a pioneer in the electronic monitoring industry, and as the first organization to develop technologies specific to community supervision and reentry programs, BI understands that programs require a suite of solutions to choose from to monitor a diverse caseload. A summary of our proposed solutions includes:

- Active, Passive, Hybrid GPS Tracking: BI LOC8 XT, LOC8, and ExacuTrack One
- RF Curfew Monitoring: BI HomeGuard 20|20, HomeGuard 200/206, and GroupGuard
- Voice Tracking and Verification: BI VoiceID
- Alcohol Monitoring: BI SL3, SL2, and Sobriator
  - Transdermal Alcohol Monitoring: BI TAD paired with the HomeBase or HomeGuard 20|20
- Supplemental Support Services: BI Agency Assist
- Smartphone Application: BI SmartLINK (client) and TotalAccess Mobile (officer)
- Data Analytics Software: BI Analytics Suite
- Online Monitoring Software: BI TotalAccess
- Related Products, Services and Solutions: drug and alcohol testing, Day Reporting Centers, field services, and victim alert devices

BI will provide all required equipment and services for the categories for which we receive an award. As indicated in *Cover Letter* of this proposal, BI confirms that our solutions meet and often exceed all RFP requirements.

As demonstrated by our tenure with the OMNIA Partner's *Master Agreement* which includes [REDACTED] contracts, BI has the ability to offer our comprehensive Offender Monitoring Solutions nationally. We understand that the offender monitoring solution may include products and services associated with offender monitoring or any other related services which OMNIA Partners participants may elect to use. BI understands that OMNIA Partners participants will sign a supplemental or usage agreement with BI based on the terms and conditions of the City contract.

### 3.1.4 General Scope

#### 3.1.4.1. Monitoring Services Provided by Contractor(s)

Based in Anderson, Indiana, BI Monitoring Operations is a complete, secure, and advanced technical support center and customer support hub that BI wholly owns and operates. Monitoring Specialists are onsite 24/7/365 to assist agency personnel with troubleshooting, managing alerts, training, and special requests. BI Monitoring Operations provides the following key advantages:

- **24/7/365 Support.** Electronic monitoring programs operate on a continuous basis. The agency needs constant access to hardware, software, and service support to supervise clients effectively. Since BI is a single source provider, agency personnel can contact Monitoring Operations 24/7/365 for prompt assistance on any BI technology—streamlining support services by providing the agency with a single point of contact. BI Monitoring Specialists ensure that agency personnel have the information needed to handle program tasks effectively.
- **Secure Facilities and Data.** At the facility level, BI Monitoring Operations is equipped with alarms, secure-access entryways, and the highest-quality network protections and redundancies to maintain and protect data. We understand that electronic monitoring programs generate data that is proprietary in nature, and BI Monitoring Operations safely stores all information in our secure data facilities.
  - BI maintains accurate records and provides this information to support court activities and measure program outcomes.
- **Qualified Operations Staff.** Proper staff training is an essential part of increasing program effectiveness. BI Monitoring Operations staff must understand how all BI technologies work to assist agency personnel with program inquiries effectively. For example, Monitoring Specialists that are highly familiar with equipment can readily help agency personnel interpret alerts—such as a tamper event that occurs frequently because the device is not installed properly against the client’s leg.
  - Monitoring Specialists must successfully complete a comprehensive training and certification program for the full continuum of BI products. The BI Training Department delivers a seven-week new hire training program and provides required ongoing training sessions. In addition, staff must obtain annual re-certification.
  - Monitoring Quality Department regularly perform call and alert critiques to confirm Monitoring Specialists follow established procedures and provide high quality customer service.



**Figure 21. BI Monitoring Operations**  
BI’s Monitoring Specialists are fully trained on current City procedures and are prepared and excited to support the agency during the next contract term—offering a continuity of services no other vendor can provide.

*The Contractor(s) shall provide a central monitoring service center located in the U.S.*

In support of maximum system uptime and continuous support, all of BI’s operations are in the United States and armed with multiple system redundancies; our Monitoring Operations Centers are located in Anderson, IN and Aurora, IL. Our corporate office located in Boulder, Colorado, and our parent company office, located in Boca Raton Florida, also support BI’s U.S.-based monitoring centers. All BI locations, from ownership to operations, are based in the U.S.—other electronic monitoring providers are internationally owned and cannot make this claim.

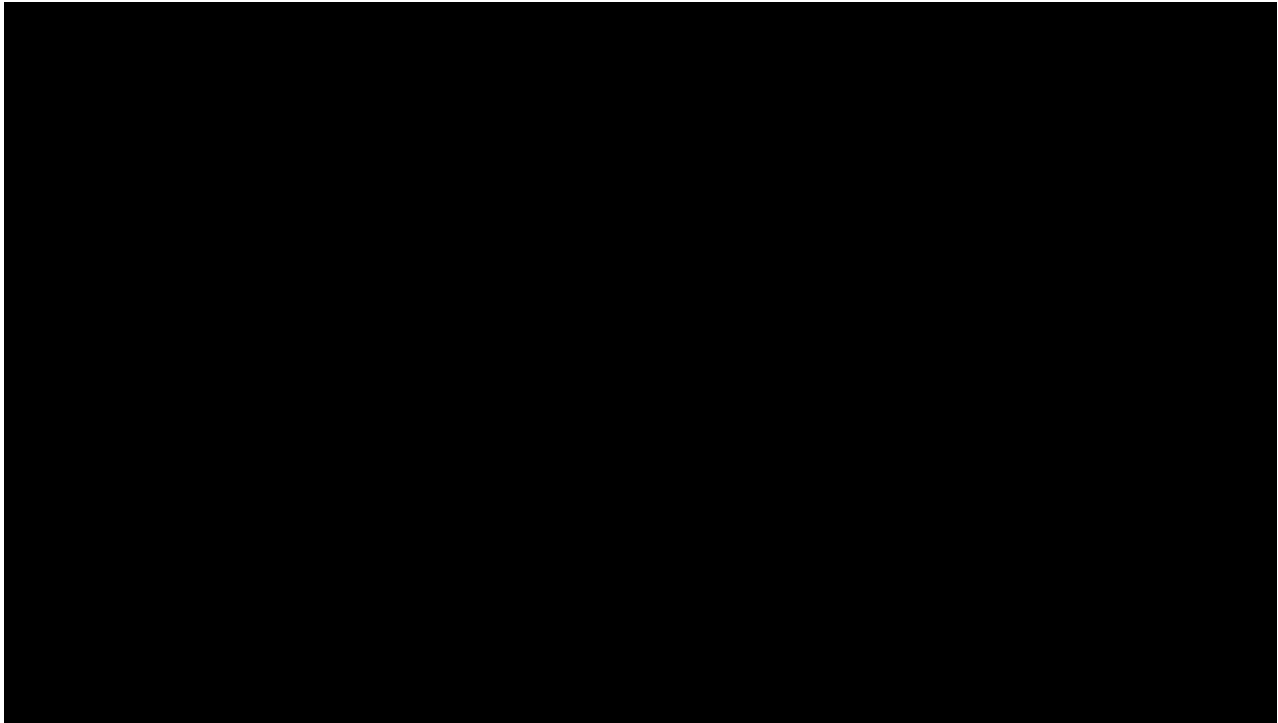
*The monitoring service center shall have the capability of conducting surveillance activities on an around-the-clock basis, without interruption. The surveillance activities shall minimally include the following: (requirements repeated in table below).*

Through a combination of BI’s highly accurate monitoring equipment and 24/7/365 live support services, we will work with City and each Participating Public Agency to establish alert notification protocols aligned with agency procedures. Based on the level of support purchased by the City or Participating Public Agencies, BI will either notify authorized personnel of violations via automated means (email, text message) or manual means (live phone calls). The following table summarizes how our continuum of solutions will meet *Monitoring Services* requirements.

Table 17. Surveillance Activities						
RFP Requirement	Monitoring Technology					
	GPS	RF	Voice	BrAC	CAM	Smartphone
Continuously monitoring the presence or absence/detecting early leaves or late returns	✓	✓			✓	
Attempts to tamper/actual tampering	✓	✓	✓	✓	✓	✓
Attempts to duplicate RF transmission	✓	✓			✓	
Disruption of AC power	✓	✓			✓	
Receiver shut downs	✓	✓			✓	
Continuous busy signals	✓	✓	✓		✓	
Attempts to use recorded speech			✓			✓
Spurious RF transmission	✓	✓			✓	
No telephone answer	✓	✓			✓	
Low battery	✓	✓		✓	✓	

*The monitoring service shall be capable of monitoring multiple curfews scheduled at the same time. In this regard, the curfew monitoring function shall have unlimited flexibility for the establishing of curfew scheduled and monitoring.*

TotalAccess, BI’s proposed monitoring software platform, is capable of supporting an unlimited number of curfew periods per day and supports customized schedules for every client monitored by the City or Participating Public Agencies. Curfew schedules can be modified down the minute for each client within TotalAccess. The graphic on the following page provides an example of this capability.



**Figure 22. TotalAccess Curfew Flexibility**

From within TotalAccess, users can assign unlimited curfew periods to every monitored individual, accommodating the most complex monitoring requirements.

---

*If required by the City's designee, the Contractor(s) monitoring service center shall be responsible for receiving program participant enrollment information from the City. If required, the contractor(s) shall be responsible for enrolling program participants and for changing curfew schedules based upon notification by the City via e-mail or fax (as determined by City) using the contractor(s) toll-free telephone number to the central monitoring service center or via remote terminal through dedicated line or internet access. If requested, the Contractor(s) shall be responsible for removing program participants from the monitoring system upon a notification from City. The date of removal and removal reason will be established by the City. The Contractor(s) shall utilize enrollment and client status change forms developed in conjunction with City.*

---

BI offers flexible monitoring services from our 24/7/365 Monitoring Operations centers located in Anderson, Indiana and Aurora, Illinois. From our experience supporting some of the largest and most complex community supervision programs across the nation, BI can develop custom operating procedures that guide Monitoring Specialists through service provision. BI will work closely with OMNIA Partners Participating agencies to create, implement, and monitor *Standard Operating Procedures* that define:

- Enacting participant enrollment processes
- Changing curfew schedules based on direction from the agency
- Removing participants from TotalAccess upon notification from the agency
- Using enrollment and client status change forms developed in collaboration with the government

To access these services, authorized agency personnel can simply call BI Monitoring Operations or send an email to the Monitoring Operations helpdesk.

*If required, the monitoring service center shall respond to all reports of monitoring violations by telephoning (as determined by City) the program participant. The purpose of this telephone call is to determine the nature of the reported event and to confirm that the program participant is at his or her*



*approved residence. The Contractor(s) shall explain the procedure to be used to confirm the participant's presence, or lack thereof, in these situations.*

---

If required, BI will call clients and attempt to resolve alerts prior to escalating events to officers for an additional cost. We understand the specific protocols, policies, and procedures necessary to promptly inform officers of potential noncompliant activities, something no other vendor in the industry can provide.

---

BI Monitoring Specialists will receive violation information directly from TotalAccess. Upon notification of the potential noncompliant activity, Monitoring Specialists will enact the following *Standard Operating Procedures*:

1. The agency will determine which violations, and the how long the violation will be active, before an alert is generated to BI Monitoring Specialists
  - a. TotalAccess will automatically generate an alert notification after a client has been in violation for a certain period of time
2. A Monitoring Specialist will respond to the violation based on handling procedures outlined by the agency
  - a. The handling procedures, which are unique for each violation, will be displayed in TotalAccess to ensure consistency in responding to violations
3. The Monitoring Specialist will make a series of outbound calls to attempt to resolve the violation
  - a. The Monitoring Specialist will call the client's residence and any alternate numbers listed, including cell phone, employment site, school, or aftercare numbers, to determine the reason for the noncompliance
  - b. If the client is reached, the Monitoring Specialist will discuss the violation with the client
  - c. If the client cannot be reached, the Monitoring Specialist will follow agency-determined processes, including continuing to attempt to reach the client or escalating the alert to authorized personnel

Please see *Proposal Section 3.1.5.6—Supplemental Support Services* on page 157 for additional information on BI's enhanced monitoring services solution.

*In addition, the following specifications must be adhered to:*

- a. *The Contractor(s) place of business and monitoring center services facilities used for this program must be located within the United States of America. The Contractor(s) primary monitoring center shall be capable of uninterrupted operation twenty-four (24) hours a day, three-hundred and sixty-five (365) days a year. This shall include all systems, hardware and software, communications and building support services such as electrical power.*
- 

Electronic monitoring programs operate on a continuous basis. The City needs constant access to hardware, software, and service support to supervise clients and pretrial defendants effectively. Since BI is a single source provider, agency personnel can contact Monitoring Operations 24/7/365 for prompt assistance on any BI technology—streamlining support services by providing the agency with a single point of contact. At any time, City personnel can contact Monitoring Operations via toll free-telephone number or email to receive real-time assistance.

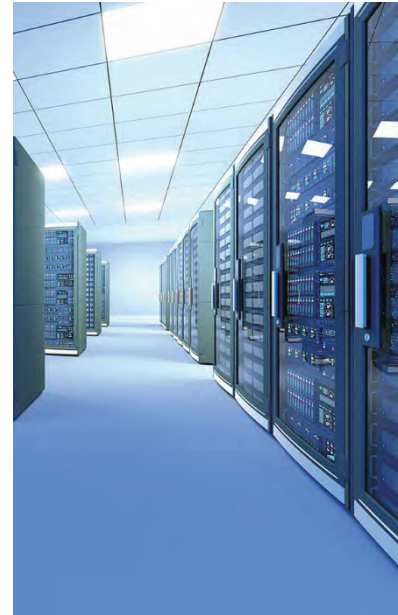
In support of maximum system uptime and continuous support, all of BI's operations are in the United States and armed with multiple system redundancies. For example, The BI monitoring computer system incorporates internal, local, and geographic redundancies to help ensure full functionality of our proposed system. Technological redundancies provide comparable hardware and operating environments across multiple systems. If a component of our data center technology infrastructure malfunctions, the system engages a redundant component to provide an uninterrupted operating environment for end users.

All BI locations, from ownership to operations, are located within the United States of America.

*b. The Contractor(s) monitoring center shall be monitored twenty-four (24) hours a day, seven (7) days a week, including holidays to ensure that any interruption in service is detected and resolved.*

BI's Monitoring Operations Centers are staffed and operated 24-hours a day, 7 days a week. Monitoring Specialists have around-the-clock access to internal systems, telecommunications, training, monitoring, management, and technical support staff.

In addition, BI securely maintains our monitoring computer system in restricted areas. Authorized personnel with the proper security clearance must use an access card to enter the server rooms. Each server room contains multiple security features—including interior and exterior cameras and alarms—and BI System Administration staff are onsite and/or on-call 24/7/365.



**Figure 23. Redundant Infrastructure**  
BI maintains two geographically redundant data centers with more than 1,000 miles of separation. Geographic separation protects monitoring data against factors beyond BI's control, such as natural disasters.

*c. Each monitoring center shall have ventilation and temperature control adequate to meet hardware specifications for the operating environment and to ensure proper functions of the monitoring center hardware.*

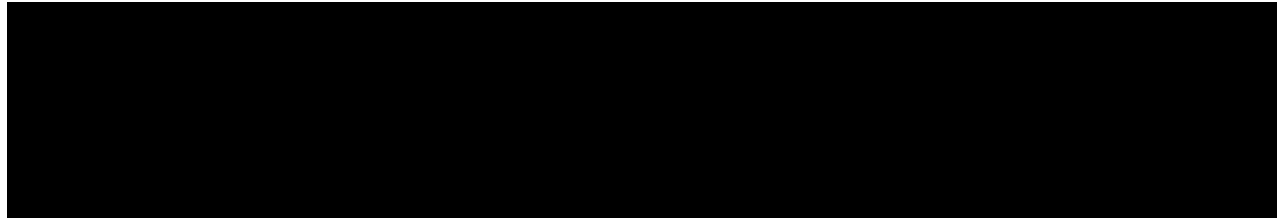
BI's Indiana-based Monitoring Operations is housed in an updated, technically advanced facility that was built in 2016. Capable of providing uninterrupted services 24/7/365, this state-of-the-art facility has ventilation and temperature control systems to ensure to proper functionality of all monitoring systems.

The center also has robust security features, training rooms equipped with workstations and projectors for both BI staff and our public-sector partners, a secured secondary data center, and a modern call center floor. This advanced facility ensures BI Monitoring Specialists have all the resources necessary to process alerts, troubleshoot equipment issues, and field officer inquiries.

*d. The Contractor(s) shall perform complete support of all interface hardware and software equipment (within the monitoring center) necessary to ensure provision of the service for the duration of the contract.*

BI will be fully responsible for maintaining and upgrading all interface hardware and software equipment to ensure the TotalAccess software and Monitoring Operations support hubs are fully functional and always available throughout the contract.

Unique to the industry, BI is a single source solution that offers a continuum of electronic monitoring solutions—including our wholly-owned, Boulder, Colorado-based Monitoring Operations Center—without relying on third parties. We confirm that our solution includes complete support of all interface hardware and software necessary to operate the City’s program. Other vendors in the industry rely heavily on contracted 24/7 monitoring services or manufacturers to support community supervision programs. This approach can result in disparate service issues and contractual complications. Selecting a provider that supports a suite of monitoring technologies—including GPS, RF, Voice, Smartphone applications, and alcohol monitoring devices—inherently increases the quality of services.



e. The Contractor(s) shall maintain professional highly trained and qualified staff to monitor and operate the monitoring center equipment.

**Stringent Background Checks**

BI conducts criminal background checks on all prospective employees. In cases where a background check reports criminal convictions, placement on probation, parole, or supervised release within the past two years, or pending criminal charges, candidates are not eligible for hire. In addition, BI holds the two largest Federal location-monitoring contracts in the country. To meet the stringent requirements of the Federal government, we require all Monitoring Specialist new hires to pass a BI background check and obtain *DHS Suitability Determination*.

The DHS Personnel Security Office, a division of the federal government that ensures contractors meet the stringent standards associated with federal contracts, conducts *DHS Suitable Determinations*. This suitability determination ensures contractor staff meet acceptable standards of character and conduct. Consisting of an initial adjudicative process and periodic reinvestigations, the *DHS Suitability Determination* ensures contractor staff will not adversely affect the integrity or efficiency of the Federal Government.

**Monitoring Specialist Training Program**

The Monitoring Specialist Certification program is the entry-level training program for an individual hired to become a Monitoring Specialist in the Monitoring Operations. As summarized by the following table, candidates must complete all certification course modules within seven weeks from the training start date.

<b>Table 18. Monitoring Specialist Certification Modules</b>		
<b>Module</b>	<b>Title</b>	<b>Topic</b>
<b>Module I</b>	History of BI Incorporated	This training session is designed to acquaint staff with the history of BI, our mission and vision, quality policy, and corporate officers
<b>Module II</b>	Customer Service	This training session is designed to provide an overview of customer service skills as they relate to the Monitoring Operation.
<b>Module III</b>	Technical Training	This training session is designed to acquaint staff with the physical and functional characteristics of the continuum of BI technologies.
<b>Module IV</b>	Software System Training	This training session is designed to familiarize the new employee with the application programs used for monitoring individuals on the system.

**Table 18. Monitoring Specialist Certification Modules**

Module	Title	Topic
Module V	Internal Operating Procedures	This module will cover various operating procedures new employees should know and understand before working independently in the Monitoring Operations Center.

BI maintains a comprehensive certification and training program for all Monitoring Specialists. Security and confidentiality of program and client data is a key component of training. Successful completion of security and confidentiality training and certification is required for all Monitoring Operations personnel, and they must achieve certification prior to working in Monitoring Operations. Intensive security and confidentiality trainings occur during new hire training and ongoing refresher training.

*f. The Contractor(s) shall provide the City a toll-free contact number, accessible and staffed twenty-four (24) hours a day, seven (7) days a week for the purpose of reporting problems that might be experienced.*

Agency staff will have access to a live customer support representative via a toll free (800) phone number 24/7/365. In addition, the City will have access to our advanced technical specialists' group at BI that will receive specialized training on City procedures. BI's Monitoring Operations has sufficient telephone lines to handle all incoming and outgoing calls. We use two separate long-distance carriers to provide redundant phone line paths for equipment calls into our data center. All of our devices that call in via 800 numbers are programmed with two numbers, a primary and a secondary. If one number is not functional, the units will continue to communicate via the alternate number.

Additional key features of BI's ability to support the City on a continuous basis include:

- **Access to Monitoring Operations.** Agency staff can call, toll-free at any time to speak with BI Monitoring Specialists physically present within the Monitoring Operations Center. Monitoring Specialists provide live customer service on topics such as equipment troubleshooting, client status checks, software assistance, reports, and on-time alert notifications. On average, our staff answer incoming calls in less than ten seconds.
  - The average tenure of our Monitoring Specialists is more than six years, and Monitoring Operations management staff have an average tenure of more than twenty years. Typically, a single call is all it takes to resolve most issues.
- **Monitoring Operations Access to Technical Support.** In the unlikely event Monitoring Operations is unable to immediately answer a question or resolve an issue, access to internal systems, telecommunications, training, monitoring, management, and technical support is also available. Monitoring Operations management and system development staff are continuously on call.



**Figure 24. Assisting City Personnel**  
Regardless of equipment type, agency personnel can call BI's wholly owned, single source Monitoring Operations Center—streamlining 24/7/365 support offerings.

Our entirely owned and operated, United States-based Monitoring Operations Center provides streamlined, knowledgeable support for our continuum of technologies. This single-source approach is simply unavailable from other providers—in particular resellers—and has the potential to streamline agency operations.

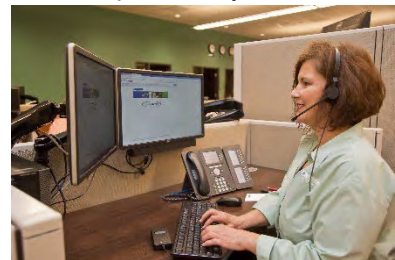
*g. In the event any component of the Contractor(s) service becomes inoperable, the Contractor(s) must immediately notify the Contract Manager or designee by telephone and email no later than thirty (30) minutes after discovery of service failure.*

BI has a software and hardware infrastructure that is unrivaled in the industry, and we have the capability to investigate, mitigate, and repair/replace systems quickly. Our entire systems infrastructure includes automatic monitors that notify Systems Administration if issues occur or if components need replacement.

BI understands the importance of transparency in communicating failure events and we will always communicate openly with agency personnel. This includes notifying the City of any anticipated or unexpected interruptions within required timeframes.

*h. When requested, the Contractor(s) monitoring center shall provide an initial response to pre-determined alarm notifications to troubleshoot and resolve the notifications per established protocols as agreed to by both the City and the Contractor(s) by offender program type.*

As a component of BI's enhanced monitoring services, Monitoring Specialists will proactively contact clients in response to City-defined alarm notifications. During contract implementation, BI will work closely with the City and OMNIA Partners Public Agencies to develop standard procedures that guide Monitoring Specialists through the process of contacting clients. These procedures will be highly customized to meet the specific monitoring requirements of the City, court-mandated monitoring conditions, or limitations associated with specific client types.



**Figure 25. Alert Notification Services**

BI welcomes the opportunity to continue our long-term cooperation with the City and OMNIA Participating Public Agencies to ensure that the desired violation and notification protocols are fully incorporated in a new contract awarded

Please see page 63 for detailed information on this service.

*i. When requested, the Contractor(s) monitoring system shall be responsible for alerting the City's designated officer via text, message, email, central database, and/or phone. The means or mode of contact shall be at the City's discretion. These services shall be provided twenty-four (24) hours per day, seven (7) days per week.*

Upon receipt of violation information from the field equipment, the monitoring computer system can automatically email designated City personnel. These automated notifications specify the type of violation, the name of the corresponding client, the date, time when the event occurred, and the date, and time when the monitoring system received the data from the equipment.

TotalAccess automatically escalates violation notifications to designated supervisory personnel, as designated by the City. BI will collaborate with authorized personnel to create customized contact lists for notification escalation purposes to specify the following:

- Which officers will be notified and in what order
- How each officer will be notified—by email, text, phone call, fax, or page with closed-loop notification procedures
- How long to wait between each designated notification
- Notification schedules that accommodate the availability of each specified officer

BI will notify officers or other designated agency personnel on a 24/7/365 basis.

*j. As required by the City’s designee, the Contractor(s) shall provide a toll-free telephone number to be supplied to the City’s supervised offenders which shall be utilized to contact the monitoring center for alarm notification resolution.*

As a component of our supplemental support services, BI has the ability to provide a toll-free phone number to clients to assist with proactive alert resolution. This capability is described in detail in *Proposal Section 3.1.5.6.c—Alert Management Activities* on page 164.

*k. The Contractor(s) shall provide immediate notification via telephone, cellular telephone, text message, and/or email twenty-four (24) hours a day, seven (7) days a week to designated City staff when an alarm notification is generated. The contractor(s) monitoring service shall include the capability to administer a phone call by a live staff person in the monitoring center in response to designated priority alarm notifications.*

As a highly flexible application, BI will continue to work closely with City and Participating Public Agencies to incorporate established alert notification and escalation processes into our proposed electronic monitoring software, TotalAccess. These processes will enable TotalAccess to automatically notify designated City personnel via email and text message on a 24/7 basis. Similarly, should the City or Participating Public Agencies require live notification from a Monitoring Specialist, BI will indicate such within TotalAccess. Please note that BI identifies live automated notifications as a “Supplemental Support Service”.



**Figure 26. BI Monitoring Services**

BI’s dual Monitoring Operations facilities—located in Indiana and Illinois—have the ability to provide a continuum of support services to officers and offenders.

*l. The Contractor(s) shall be able to receive a verifiable confirmation via a telephone call from the monitoring center to the designated City staff to confirm that all immediate alarm notifications were received/acknowledged by City staff. The Contractor(s) shall be responsible to maintain a call tree to be utilized when contacting City staff to report alarm notifications pursuant to established protocols.*

With the understanding that certain alerts and events are higher priority than others are, BI Monitoring Specialists can proactively call the City to confirm that staff have received and are in the process of resolving alerts.

During program implementation, BI will work closely with the City to create procedures that outline:

- Which alerts are high priority and require a live phone call notification
- The amount of time between the alert generation and live notification
- The individuals to contact—including escalation processes and how they choose to receive the alert
- The amount of time to delay between contacting staff

BI considers this capability to be a “Supplemental Support Service” (as detailed *Proposal Section 3.1.5.6.c—Alert Management Activities* on page 164) for an additional fee.

*m. The monitoring center shall have redundant inbound and outbound communication services, provided by distinct carriers and/or methods, such that the failure of the primary service or method shall not adversely affect the secondary (backup) service or method.*

BI Monitoring Operations in Anderson, IN has redundant inbound and outbound communication services, provided by multiple carriers and methods, ensuring continuous communication capability. Two separate long-distance carriers provide redundant phone line paths for equipment calls into the Tennessee data center. Fiber and copper cable phone lines and data paths enter the building at different locations, providing last-mile redundancy.

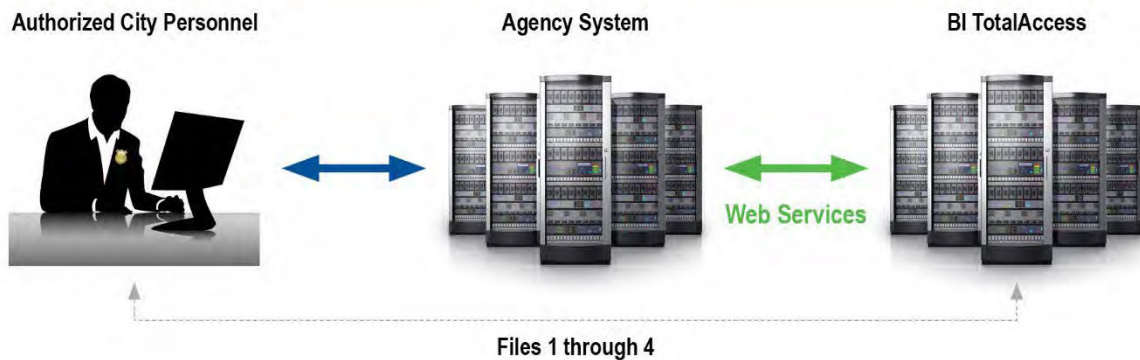
In addition, diversely routed internet connection paths and different internet carriers support the BI monitoring computer system. Internet access at the primary data center utilizes multiple internet providers which are routed using an autonomous system number (ASN) backed by the BGP protocol. If the in-use provider should fail, other internet carriers will automatically pick up and route the public IP addresses. The ASN is independent of any single internet carrier, enabling the ASN to route the public IP address to any internet carrier participating in the peering relationship. The following table identifies current internet service providers in use by BI's primary data center.

**Table 19. Internet Service Providers**

#	Provider	#	Provider
[Redacted Table Content]			

*n. The Contractor(s) shall have the ability to write files to a server at the Contractor(s) site and shall allow the City to retrieve the files daily through a secure File Transfer Protocol (FTP) or other secure transmission method. The files will need to include the following information.*

BI employs a modular SOA approach for our proposed software system. From an integration standpoint, TotalAccess incorporates a [Redacted]. This allows us to interface TotalAccess securely with external software systems. BI developed our solution on [Redacted], which are industry-proven Microsoft technologies. All of BI's website applications run on the current version of [Redacted] which supports all mainstream web browsers and web services. The following figure summarizes our approach.



**Figure 27. Secure File Transmission: Web Services**

BI's established web services solution expedites data entry, eliminates disparate database systems, and supports the overall accuracy of information related to the City's monitoring program.

Our web services solution ensures that agency personnel can easily use an internet connection to securely access consolidated and accurate data from a single source. This exchange of data via web services can be used to add or change client information as well as exchange information on equipment installation/de-installation, for example.

The table below provides confirmation that our web services solution has the ability to securely transmit files between agency systems and TotalAccess.

<b>Table 20. Secure File Transmission</b>		
<b>File Type/Category</b>	<b>Data</b>	<b>BI Web Services</b>
<b>a. File 1—Alarm File</b>	1. The key file used to distinguish each alarm	✓
	2. The type of alarm as defined by the City	✓
	3. The Identification number of the client	✓
	4. Date and time of the alarm	✓
	5. Length of the alarm (until resolution)	✓
<b>b. File 2—Comment File</b>	1. The key field used to distinguish each alarm	✓
	2. Comments relating to the alarm.	✓
	3. Date and time of updates to the comments	✓
<b>c. File 3—Alarm Cleared</b>	1. The key field used to distinguish each alarm	✓
	2. Date and time the alarm was cleared	✓
<b>d. File 4—Points Reviewed</b>	1. The ID number of the client	✓
	2. The USERID of the officer reviewing the points	✓
	3. Date the points were reviewed	✓
	4. Dates of the points reviewed by the officer	✓



### 3.1.4.2. Equipment to be Provided by the Contractor(s)

Operating a variety of programs that use a continuum of hardware solutions can introduce complications and risk to larger electronic monitoring programs. As such, the City and Participating Public Agencies require a vendor to supply all equipment required to operate a successful Offender Monitoring Program.

*Contractor shall furnish all equipment required to perform services outlined herein and to make the proposed system fully operational, which shall include but is not limited to: transmitters, base stations, receivers, tracking devices, recorders, bracelets, telephones and landline cords, batteries, power cords, clips, straps, tools, reference materials, specialty cleaning supplies, car chargers, ethernet cables, beacons, etc.—Revised per Addendum 2, question 25*

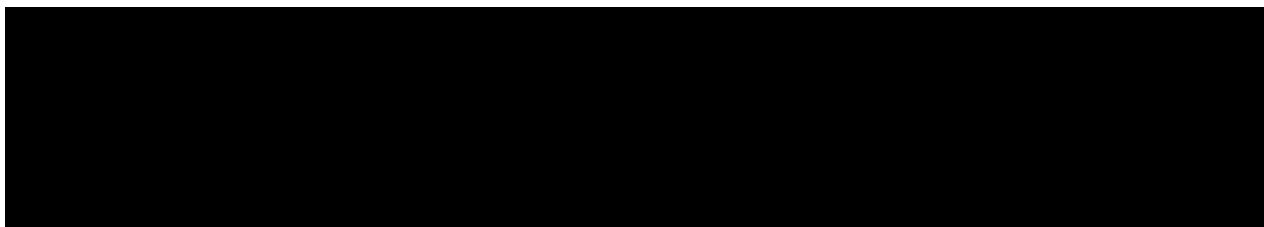
BI’s solution is all inclusive and contains all equipment required to successfully fulfill all contract requirements. All equipment components, including consumables, are detailed below.



**Figure 28. End-to-End Solution**  
All BI equipment includes the necessary accessories and tools to effectively install, adjust, remove, and charge our devices—simplifying inventory and consumable management.

Table 21. Equipment Consumables		
Monitoring Type	Brand, Model	Consumables
Active, Passive, Hybrid GPS Tracking	BI LOC8 XT, LOC8, ExacuTrack One	Strap, security clips, measurement band/clip slip
	BI LOC8 XT, LOC8, ExacuTrack One Beacons	N/A
Radio Frequency Device	BI HomeGuard 20 20, 200, 206 Transmitter	Strap, security clips, measurement band/clip slip
	BI HomeGuard 20 20, 200, 206, GroupGuard Receivers	N/A
Handheld Alcohol Monitoring Device	BI SL3, SL2, Sobrietor	Breath tube
Transdermal Alcohol Monitoring	BI TAD Transmitter	N/A, units are returned to BI for calibration after use
	BI TAD Receiver	N/A

Please note that some consumables, for example straps and clips, are included in BI’s daily rates to ensure that the agencies we serve can reasonably run their program without accruing large consumable costs. Other items, such as chargers and batteries, are not disposable or consumable, and therefore these items may have additional costs.



a) *In the case of equipment rental programs, all equipment provided by the Contractor(s) shall remain the property of the Contractor(s) and shall be in good repair, remanufactured and within specifications of new equipment. All equipment supplied shall be the latest design and model unless specifically requested by the City.*

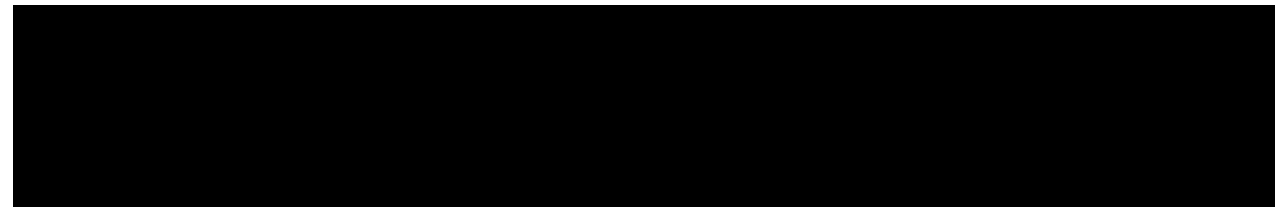
Our proposed solution is a rental program; BI will maintain ownership of all proposed equipment. As such, our warranty program solely includes maintaining, updating, repairing, and replacing equipment as needed. Under a rental arrangement, BI will implement a maintenance and warranty program. This will be in effect for the term of the contract, and BI will provide all consumables, warranty services, and replacement parts as a component of our rental solution. BI also offers a purchase program through the OMNIA Partners *Master Agreement* which is included in the *Tiered National Pricing* options detailed on page 273.

**Reliable Provision of Equipment**

*BI will be responsible for all costs associated with equipment maintenance, including shipping to and from BI's manufacturing facility and providing officers with a sufficient supply of consumables and accessories. All of BI's proposed equipment is bench tested and certified as new for operation.*

**Latest Design and Model Equipment**

As an organization dedicated to providing innovative solutions, BI will always provide the agency with the most current and updated version of equipment. BI's team of professionals focuses on supplying equipment that establishes the highest industry standards. We identify ourselves as the leading provider of integrated service and technology solutions that support the missions of our public-sector partners. With innovation as a cornerstone of our organization, we constantly translate ideas into effective solutions that exceed the expectations of our agency partners—at no extra charge to established contract rates.



b) ~~*For those offenders whom monitoring is requested and reside in areas that have technical and/or geographical limitations, the Contractor(s) shall provide either alternate technology or installation of a phone line at the residence at no extra charge to the City or the offender. If there is an identified limitation to the equipment functioning in a specific area, Contractor(s) shall provide equipment that will allow the same function at the same price as equipment originally requested.*~~

Requirement removed per *Addendum 2*, question/answer 2.

c) *The equipment provided shall be of a technology currently in use by the manufacturer, Contractor(s), or both and shall be identified by brand and model number in the Contractor(s) proposal.*

The following table provides the brand and model number of BI equipment.

<b>Table 22. Brand and Model Number</b>		
<b>Monitoring Type</b>	<b>Brand</b>	<b>Model</b>
<b>GPS Tracking</b>	BI LOC8	LC-800
	BI LOC8 Beacon	LC-850
	BI LOC8 XT	LC-800A

**Table 22. Brand and Model Number**

Monitoring Type	Brand	Model
	BI LOC8 XT Beacon	LC-875
	BI ExacuTrack One	EX-600
	BI ExacuTrack One Beacon	EX-650
	BI ExacuTrack One Downloader (HomeBase 105)	HB-105
	BI LOC8 Downloader	RF-2035
<b>Curfew Monitoring</b>	BI HomeGuard 200 Receiver	CL-3206
	BI HomeGuard 206 Receiver	CL-4206
	BI HomeGuard Transmitter	HG-2220
	BI GroupGuard	GG-3400
	BI Drive-BI	HG-2020
	HomeGuard 20 20 Receiver	RF-2025-M
	HomeGuard 20 20 Transmitter	RF-2021-M
	GroupGuard Landline Receiver	GG-3500-M
	GroupGuard Landline Transmitter	GG-2260-M
	GroupGuard Cellular Receiver	GG-3501-M
	GroupGuard Cellular Transmitter	GG-2260-M
<b>Smartphone Application</b>	BI SmartLINK	SM100
	BI Mobile	D450 and D215
<b>Alcohol Monitoring</b>	BI SL2	SL-100
	SL3	SL-300-M
	Sobriator	93-9350
	BI TAD	TAD-100
	TAD Receiver Cellular	HB-110-M
	TAD Receiver Landline	TAD-100-M
	BI HomeBase 100	HB-110
	BI HomeBase 105	TAD-105

d) The Contractor(s) shall only provide equipment that has been properly registered and certified under the Federal Communication Commission Rules and Regulations, as applicable. The Contractor(s) shall submit the applicable FCCID numbers for all proposed equipment.

All of BI’s proposed equipment is FCC certified. The following table provides FCC certification numbers.

Table 23. FCC Certification		
Monitoring Type	BI Device	FCC Certification
Radio Frequency	BI HomeGuard Transmitter	CSQHG200A
	BI HomeGuard 200 Receiver (landline)	GN7USA-27502-MD-E
	BI HomeGuard 206 Receiver (cellular)	GN7USA-27502-MD-E
	BI HomeGuard 20 20 Transmitter	CSQ-RF2021
	BI HomeGuard 20 20 Receiver	XPY2AGQN4NNN
	BI GroupGuard Transmitter	CSQHG200C
	BI GroupGuard Receiver (landline)	GN7USA-27502-MD-E
	BI GroupGuard Receiver (cellular)	GN7USA-27502-MD-E
Alcohol	BI SL3	CSQ-SL300A
	BI SL2	R17DE910 Dual
	BI TAD Transmitter	CSQTAD001
	BI TAD Receiver (landline)	GN7MM01B-HB-100
	BI TAD Receiver (cellular)	GNU7MM00B01-EX-520
	BI HomeGuard 20 20 Receiver (LTE cellular)	XPY2AGQN4NNN
GPS	BI LOC8 and LOC8 XT	CSQ-LC800A
	BI LOC8 Beacon	TLZ-CU288
	BI LOC8 XT Beacon	TLZ-CU-300
	BI ExacuTrack One	TS5-6055M-ET300
	BI ExacuTrack One Beacon	TS5-EB300
Smartphone Application	BI Mobile	2AJZP-D450B and 2AJZP-D215PRO

Please also see Appendix D—FCC Certificates.

e) The equipment provided shall not be available as an open market item if this could compromise the security of the system.

BI’s proposed solution includes the latest design and model equipment, including innovations available to the agency during the next contract term. We confirm that our proposed equipment is not available as an open market item. As the founder of electronic monitoring equipment in 1985, BI has pioneered new product development for decades. BI employs in-house mechanical, electrical, and computer science engineers who provide agencies with the latest technologies and advancements in tracking solutions, secure data processing, and communications.

f) Replacement equipment initially provided by the Contractor(s) shall be new, or if not new, refurbished to perform in a like-new manner and shall be maintained by the Contractor(s) in “like new” condition. Repairs and/or replacements shall be provided within the timeframe specified in this RFP.

BI will provide all monitoring equipment to the City in new or “like new” condition. BI ensures that all equipment shipped from our manufacturing facility will function as designed through our *Quality Control Program*. To ensure that all refurbished equipment performs in the same manner as new equipment, BI employs ISO-certified quality control process throughout our in-house equipment testing and manufacturing approach. BI’s quality control process includes:

1. **Evaluation of Incoming Materials.** We isolate and test all incoming materials for quality and consistency prior to placement into circulation in our manufacturing facility.
2. **Isolation of Faulty Components.** All faulty components identified during the evaluation of incoming materials are immediately isolated in a locked storage space. By testing and isolating components, BI prevents the use of faulty materials in the manufacturing process.
3. **In-Line Testing.** At every step of the manufacturing process, BI technicians test equipment functionality and performance. Continuous inline testing allows BI to identify and correct faults in the production processes.
4. **Final Inspection.** BI technicians perform a final inspection and test before shipment to customers. This final test ensures officers will always receive operable equipment.
5. **Third-Party Audits.** BI receives regular third-party audits and is ISO 9001:2015 certified for product design, testing, manufacture, sales, service, support, and monitoring. Other vendors typically do not meet this level of certification.



**Figure 29. Continual Technology Development**

BI continuously makes modifications and enhancements to improve our technology. In 2021, BI spent more than \$7 million in research and development.

BI will provide repairs or replacement units in the timeframe specified by the RFP.

g) In the case of a rental program, the Contractor(s) is responsible, at no additional cost to the City except as provided in the RFP and resulting contract, for the maintenance, repair or replacement of all equipment or software provided under the contract. The Contractor(s) is responsible for all costs which includes shipping materials and delivering equipment to, from, or between any City offices located within Arizona.

BI’s proposed maintenance and support approach for the City is very straightforward. BI will be responsible for all aspects of maintenance and support—provided through our 24/7 Monitoring Operations, tenured account management staff, established manufacturing center, and all other BI departments. These services are provided at no cost to the City. The following table further summarizes our maintenance and support approach.

**Table 24. Maintenance and Support Responsibilities**

Maintenance and Support Activity	Responsible Party				
	City of Mesa	BI Monitoring Operations	BI Account Management	BI Manufacturing and Engineering	BI Billing and Invoicing
Alerting BI of potential equipment or technical issue	✓				
Providing first line of support for all inquiries		✓			
Providing onsite services, as needed (training, inventory support, etc.)			✓		
Providing remote, refresher training sessions as needed		✓	✓		
Shipping units to/from agency locations					✓
Supporting inventory management activities			✓		✓
Issuing invoices that accurately reflect active/inactive unit status					✓
Using ISO-certified processes to manufacture and improve hardware				✓	
Conducting failure analysis				✓	
Keeping agency personnel abreast of technological advancements to BI hardware and software		✓	✓		
Implementing ongoing improvements to manufacturing processes and equipment				✓	

*h) In the case of a rental program, in the event that any of the equipment or software provided under the contract fails to function properly, is lost, stolen or damaged, the Contractor(s), at no additional cost to the City, shall deliver a replacement component(s) to the designated City office within forty-eight (48) to seventy-two (72) hours of notification by City, if requested by the City. The City will notify the Contractor(s) when a piece of equipment is lost, stolen or damaged. This determination is at the sole discretion of the City. The City and its client departments will make reasonable efforts to deter the theft, loss or damage to the Contractor(s) equipment. The City is not responsible for the cost of lost, stolen or damaged equipment.*

We understand that the City requires an unlimited lost and damaged equipment allowance, and BI will maintain responsibility for all equipment replacement and repair.

BI's approach to managing lost and damaged equipment includes calculating allowances on an annual basis, either at the end of the calendar year or contract year. Our *Standard Operating Procedure* for calculating lost and damaged charges includes:

1. The agency reports lost or damaged equipment to BI.
2. BI staff log all information for retrieval and review during the billing period.
  - a. These Specialists also log any damaged equipment received by BI and associated repair costs.

- 3. BI's Customer Business Services Department is responsible for calculating lost and damaged equipment billing by:
  - a. Calculating the average number of active units, on an annual basis
  - b. Reviewing the contractual lost and damaged equipment allowance and calculating the number of units covered by the allowance, at no charge
  - c. Auditing lost and damaged equipment logs and verifying that each unit reported lost has not since been returned to BI

**Expert Inventory Management**

*As an example of our experience with inventory management, BI's solution is supported by Ms. Dawn Gagne, Manager of Customer Business Services, who has a fifteen year tenure with BI. Ms. Gagne and her team works closely with customers to develop solutions to accommodate growth and ensure timely, accurate billing and inventory management practices.*

BI looks forward to discussing equipment needs with the City and developing a customized lost and damaged program that will satisfy the City's requirements.

*i) Upon request from the City, when the City activates equipment that has been in shelf stock, the Contractor(s) shall deliver to the designated district office a replacement component(s) within twenty-four (24) hours of notification by the City.*

BI will offer a shelf allowance to ensure that all equipment and components can be replaced by the City. This inventory supply allows officers to immediately replace damaged devices or add new subjects to the Offender Monitoring Program. BI will replace items pulled from inventory within 24-hours.

*j) The Contractor(s) shall provide, at no additional cost to the City, all necessary tools as needed per officer or district office to install, adjust, and remove the Contractor(s) provided equipment. City will notify the Contractor(s) on the number needed.*

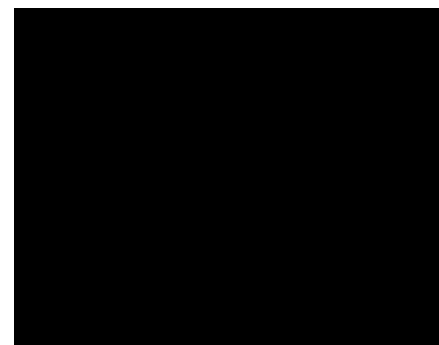
BI will supply ample electronic monitoring equipment and tools to be used by the City at its designated locations to conduct product installations, removals, and adjustments. BI will maintain and guarantee every unit at no cost to the City or Participating Public Agencies.

### Products Requiring Fitting and Installation

An officer or district office can install BI's equipment as follows:

**LOC8 XT and LOC8.** Installing a LOC8 tracking unit on a client takes less than five minutes. The installation process includes the following steps:

- 1. Measuring the client's ankle using the BI-provided sizing tool
- 2. Cutting the tracking unit strap accordingly—ensuring a snug fit against the client's ankle
- 3. Attaching the tracking unit to the client—insert the strap into the tracking unit case and lock the unit in place by securing the tamper-resistant latch clips



**Figure 30. BI Provided Toolkit**  
BI will provide all tools to the City and Participating Public Agencies at no additional cost.

**ExacuTrack One.** With minimal training and tools, authorized personnel can easily install an ExacuTrack One tracking unit on a client. The installation process includes the following steps:

- 1. Sizing for proper fit
- 2. Securely attaching the tracking unit around the client's leg and inserting the locking mechanism—no tools are necessary

**HomeGuard.** Authorized personnel typically install a HomeGuard transmitter in less than five minutes. The installation process includes the following steps:

1. Assembling the transmitter
2. Sizing for proper fit
3. Attaching the transmitter to the client's ankle
4. Closing the tamper-resistant latches

**TAD.** This device measures ingested alcohol through a sensor resting securely on the client's ankle. Because TAD is ankle-worn and easy to install, it removes the complexity associated with many handheld breath alcohol-testing devices. Client enrollment in the software is simple and does not require any initial testing, training, or participation. The installation process includes the following steps:

1. Sizing for proper fit
2. Securely attaching the tracking unit around the client's leg and inserting the locking mechanism—no tools are necessary

The other products, services, and solutions BI offers within this proposal do not require installation on a client's person.

*k) All equipment proposed and provided shall equal or exceed the latest industry standards unless specifically requested by the City. During the life of the contract, and with the prior approval of City, the Contractor(s) shall upgrade equipment as significant improvements become available. These upgrades shall be provided at no extra charge/additional costs to City.*

BI will provide the agency with the most recent generation of hardware and software that has completed beta testing. We will regularly communicate all upgrade, improvement, and software fixes to the agency. Users can also view software upgrade details directly in the TotalAccess *Login Page*.

Many of BI's units, including the LOC8 XT, SL3, and HomeGuard 20|20 receiver automatically updates with the newest firmware while the device is active in the field. These firmware over-the-air (FOTA) updates are approximately thirty seconds in duration, and the client is unaware of the update process. Within TotalAccess, authorized users can see a record of FOTA activities.

*l) At no additional charge and upon request by the City, the Contractor(s) shall furnish for each system in operation three (3) spare units for every ten (10) units, with a minimum of five (5) units for shelf stock, per location.*

BI will furnish the City three (3) spare units for every ten (10) units, with a minimum of five (5) units for shelf stock, per City designated location for each electronic monitoring system offered at no additional charge.

*m) The equipment provided shall be Federal Communication's Commission (FCC) currently registered and approved.*

BI confirms that all equipment proposed is FCC Certified. Please see *Table 23. FCC Certification* on page 74. Also see *Appendix D—FCC Certificates*.

*n) The contractor(s) shall provide written instructions and all necessary equipment for a trained person to initialize, reset and remove the participant's transmitter as needed.*



**Figure 31. Device Updates**  
Firmware Over-The-Air (FOTA) technology reduces the need for City to return equipment to BI for upgrades.



To support understanding of BI's solutions, we provide agency personnel with a variety of web-based, electronic, and hardcopy training materials. This includes the following:

- General guidelines for clients
- Specific product information
- Installation and removal instructions
- Equipment configuration settings and descriptions
- Event message descriptions
- Tracking rules, zones, and schedule descriptions
- Report descriptions

BI works closely with the agencies we serve to determine training needs and provide agency personnel applicable training manuals and materials as needed.



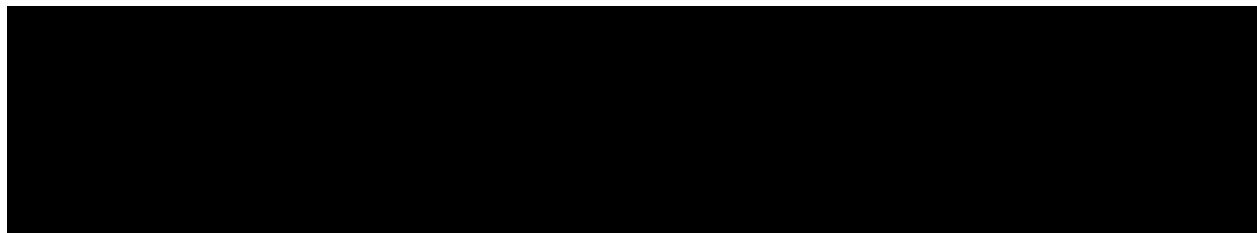
**Figure 32. Qualified Training Experts**

Based in BI's Monitoring Operations center, our Training Department has an average tenure of more than five years.

### 3.1.4.3. Accessories

As the OEM for all electronic monitoring units proposed herein, BI has the flexibility and capability to manufacture and process the equipment and accessories in the quantities required or in larger quantities if the City's needs to expand during the course of the contract. Our in-house manufacturing facility can produce high volumes of units in a short time.

As a significant benefit of our proposed solution, the BI TotalAccess software includes integrated and interactive inventory management features. We currently use TotalAccess to help manage the City and Participating Public Agencies' equipment inventory—including by agency, division, district, and county as applicable—to produce corresponding reports.



*All accessories, including replacement batteries, straps, waist packs, carrying bags, clips, beacons, and other related supplies necessary for proper operation shall be provided by the Contractor(s) at no additional cost to the City, throughout the term of the contract. Install and deactivation tools/equipment shall be provided to the City at no additional cost throughout the term of the contract.*

BI will provide all required equipment and services necessary to implement and maintain the Offender Monitoring Program and equipment, including backups, spares, and accessories at no additional cost to the City.

Designed for reliability and accuracy, BI manufactures equipment that meets or exceeds the agency's requirements for all proposed solutions. As demonstrated by the table below, BI's equipment does not require an excessive number of tools to install or service. The following table provides additional information regarding consumables and tools necessary for installation.

Table 25. Equipment Tools and Consumables			
Monitoring Type	Brand, Model	Consumables	Tools
Radio Frequency Curfew Monitoring	BI HomeGuard 20 20 Transmitter	Strap, security clips, measurement band/clip slip	Scissors
	BI HomeGuard 20 20 Receiver	N/A	Officer key
	BI HomeGuard Transmitter	Strap, clamp/rail assemblies, screws, battery, battery venting strip, male and female latches	Hex screwdriver, scissors
	BI HomeGuard 200, 206, and GroupGuard Receivers	N/A	Officer key
Alcohol Breath and Transdermal Monitoring	BI SL3	Breath tube	None
	BI TAD Transmitter	N/A, units are returned to BI for calibration after use	Screwdriver, 3/16" bit
	BI TAD Receiver (landline and cellular)	N/A	Officer key

**Table 25. Equipment Tools and Consumables**

Monitoring Type	Brand, Model	Consumables	Tools
<b>GPS</b> <i>Location Tracking</i>	BI LOC8/LOC8 XT, ExacuTrack One	Strap, security clips, measurement band/clip slip	Scissors, clip removal tool
	BI LOC8/LOC8 XT Beacon	N/A	None

Please note that some consumables, for example straps and clips, are included in BI’s daily rates to ensure that the agencies we serve can reasonably run their program without accruing large consumable costs. Other items, such as chargers and batteries, are not disposable or consumable, and therefore these items may have additional costs.

### 3.1.4.4. Proposer Representative

BI's Program Manager, Ms. Kimberly King, will act as the single point of contact for all City inquiries, including training questions, status updates, administrative duties, and overall Offender Monitoring Program health. Ms. King will conduct status meetings in person or via teleconference at the direction of the City. In addition, Ms. King will meet with the City onsite throughout the life of the contract to address any programmatic concerns and provide continual communication with officers, supervisors, administrators, and all other applicable personnel.

In fulfilling the role as Program Manager, Ms. King is supported by the entire BI organization. BI experts are available to the City to address issues and improvements throughout the life of the contract. Ms. King will remain in close contact with BI's entire organization, including engineering, billing, manufacturing, and training.

*The Contractor(s) shall provide the City a minimum of one (1) single account representative who will serve as a liaison for all aspects of contract performance. All aspects shall include but not be limited to, reporting, equipment inventory, training, contract transition and the install program. The representative shall be familiar with the City's policies, goals, and services. The representative shall be knowledgeable in the area of Community Corrections, i.e. parole, probation, pretrial, in-home detention, work release, etc. The representative shall be proficient in and have a working knowledge of all functional areas and services. The City would prefer a team approach, consisting of an account representative, inventory management representative and a training representative. The City shall not provide any office space or storage space.*

BI's proposed Program Manager, Ms. King, will provide close, continuous, and dedicated support of for the City. She can provide onsite technical support, troubleshooting, training, report analysis, and programmatic assistance and guidance. This individual serves as the liaison for all aspects of contract compliance and program performance.

Ms. King will meet with agency staff as required on a formal and informal basis and participate in onsite meetings to determine the overall health of the program and needs of the agency. In addition, Ms. King will analyze, summarize, and provide regular reports to agency stakeholders as appropriate.

Additional duties and responsibilities include:

- Identifies and reports improvements, suggestions and overall support of the program
- Aids staff by troubleshooting equipment issues and makes equipment replacement/repairs as needed
- Provides recommendations to resolve identified problem areas
- Proactively works with agency stakeholders and BI management to develop and implement appropriate strategies to resolve issues
- Aids agency staff by receiving and documenting programmatic updates and needs, coordinating retrieval of historical information for court purposes, and keeping appropriate staff informed of all interactions
- Proactively identifies training needs for staff; coordinates and delivers training as necessary
- Provides 24/7/365 on-call availability to address emergencies or unforeseen events related to the program
- Provides court testimony when subpoenaed
- Acts as a subject matter expert in the BI equipment and systems used by the agency.

#### Program Manager

*BI has an established Staffing Plan that enables our organization to provide highly experienced individuals to support community supervision programs. We will leverage these proven practices to offer the a highly responsive and tenured Program Manager.*

- Assists with billing-related administrative issues and price correction work in conjunction with Accounts Receivable.
- Assists agency with equipment inventory management, reconciliation, and recovery

### Other Account Management Support

BI will fully support the agency's electronic monitoring program. Throughout the life of a contract awarded to BI from this solicitation, BI personnel will be available to the agency to provide monitoring services, equipment troubleshooting, training, and account support. We will directly address all needs or concerns.

During the initial implementation period of the program, key BI personnel will dedicate the time and resources needed to ensure that the agency's program is established in an expedient and effective manner. For the life of the contract, progress reporting will be provided by the following key personnel:

- **Partnership Development Vice President.** Mr. Robert Murnock will be the agency's primary point of contact through all phases of the implementing the new contract—beginning upon contract execution. Mr. Murnock will be available to assist the agency in implementing all equipment and services proposed within this proposal document.
- **National Account Manager.** Mr. Elliott will be onsite and/or available to assist with agency training and equipment installations. Mr. Elliott's background and expertise in program implementations qualifies him to work directly with agency personnel as they learn to use BI technologies.
- **Account Executive.** Mr. Ken Campbell will maintain close, continuous customer support with the City to ensure high satisfaction with our proposed solution. Mr. Campbell will provide the City with training and assistance, systematic contact, and implementing any new program requirements.



**Figure 33. Tenured Account Management Team**

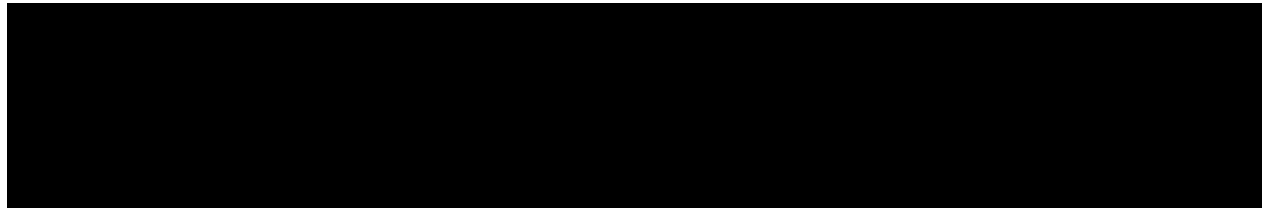
Our team brings an unprecedented breadth of experience to the agency's program, having supported the City and OMNIA Partners throughout the last contract term.

BI personnel will always be available to provide additional support as needed. In addition to the key personnel specified above, the agency will be fully supported by a comprehensive range of BI organizational departments throughout the life of a contract.

### 3.1.4.5. Offender Monitoring System Operation

Devices designed to monitor client compliance in the community are unique from other technologies that are available today. Equipment needs to operate in all types of environments (rural and urban), but also not be impacted by other electrical equipment or signals. Similarly, electronic monitoring hardware should be able to communicate all events and data to the central monitoring computer—via landline or cellular connectivity—to ensure appropriate alerts are directed to defined City personnel.

BI designed each of our proposed electronic monitoring devices with these intricacies and reliability needs in mind. This portion of our proposal demonstrates how our equipment operates normally in all environments, detects attempts to tamper with equipment, escalates notifications, and communicates other events to the BI central monitoring computer.



*a) The monitoring equipment shall function reliably despite the nearby operation of household electrical equipment or the existence of nearby strong, but not uncommon, electrical fields generated by such sources as power transmission lines, power transformers and commercial radio towers. If a device is worn by the offender, or if a receiver is installed in the offender's home, it shall function reliably in any building and offer a continuous signal and shall work with any type of phone line.*

BI designed all of our proposed equipment to monitor clients involved in the criminal justice system and to function reliably in a wide variety of environmental and atmospheric conditions. This includes the ability to function regardless of the nearby operation of household electronic equipment or electrical fields generated by power transmission lines, power transformers, and commercial radio towers. Similarly, if individuals are monitored with different types of BI technologies, each unit will continue to operate and monitor the client's compliance.

*b) The removal of strap by a deliberate action, accidental action, or any action that otherwise compromises the integrity of the strap shall immediately generate an alarm that is immediately transmitted to the Contractor(s) Monitoring Center. The strap shall have a dual tamper capability. The transmitter shall notify the receiver of any tampering.*

All of BI's client-worn devices have the ability to detect and report various tamper events, some of which **exceed** RFP requirements. When a tamper occurs, the device continuously emits a tamper signal. Our equipment is secured using an

As further specified by the table below, our body-worn devices incorporate or other attempts to compromise the device.



**Figure 34. Reliable Operations**

Our body-worn devices continuously emit signals and function reliably in any type of building. BI equipment uses a noncommercial frequency to communicate equipment data—significantly decreasing the likelihood of transmission signal duplication or interference.

**Table 26. Tamper Detection for Body-Worn Devices**

BI Device	Strap Tamper	Proximity Tamper	Case Tamper	Motion Detection
HomeGuard RF Transmitter	✓	✓	✓	✓
LOC8 XT GPS	✓	✓	✓	✓
LOC8	✓	✓	✓	✓
ExacuTrack One	✓		✓	✓
TAD Transdermal Alcohol	✓	✓	✓	✓

The body-worn devices promptly communicate this tamper information to the BI monitoring computer system as follows:

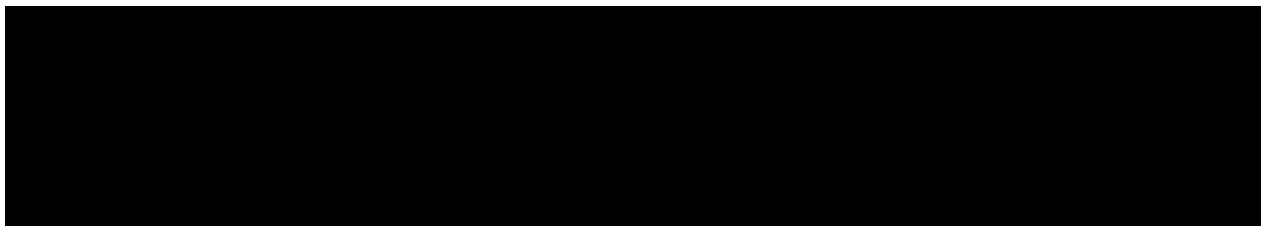
- **HomeGuard Transmitter** communicates to the receiver when in range, and the receiver promptly sends information to the monitoring system via landline phone or cellular connection.
- **LOC8 XT, LOC8, and ExacuTrack One** promptly sends tamper information directly to the monitoring system via cellular connection—regardless of the next specified call-in time.
- **TAD** communicates curfew and alcohol data to the HomeBase receiver, which sends all monitoring data to the BI computer system via landline and cellular connectivity.

*c) The System shall escalate the violation notifications to designated supervisory personnel as specified by the City.*

TotalAccess automatically escalates violation notifications to designated supervisory personnel, as designated by the agency. BI will collaborate with authorized personnel to create customized contact lists for notification escalation purposes to specify the following:

- Which officers will be notified and in what order
- How each officer will be notified—by email, page, or text
- How long to wait between each designated notification
- Notification schedules that accommodate the availability of each specified officer

BI will notify officers or other designated agency personnel on a 24/7/365 basis.

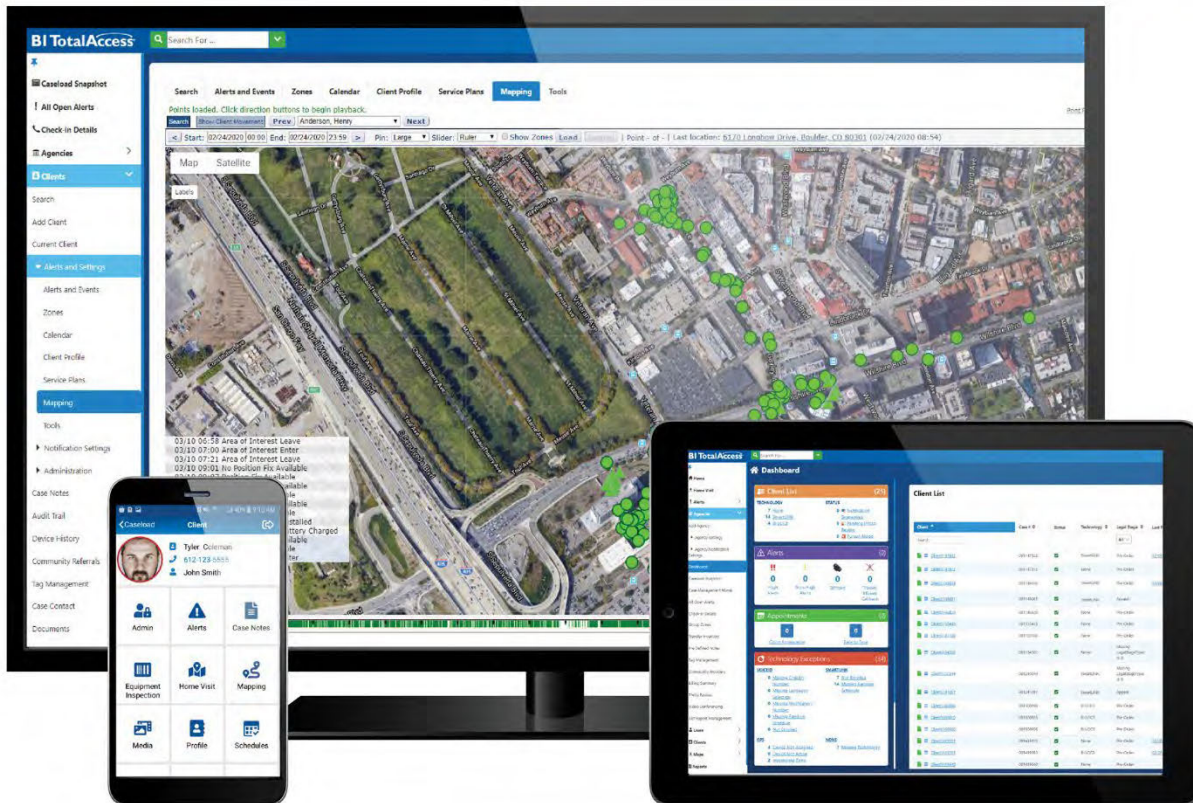


*d) Equipment shall initiate the sending and receiving of signals through standard telephone lines across the City at no cost to the City or offender. Contractor(s) shall ensure that the system allows communication only with authorized receiver/transmitter devices.*

All of the signals sent and received through standard telephone lines will be provided at no additional cost to the City, Participating Public Agencies, or clients. BI guarantees that communications remain dedicated to authorized receiver/transmitter devices.

### 3.1.4.6. Central Computer Monitoring System

BI TotalAccess is a comprehensive, easy-to-use, web-based software platform that supports the full BI continuum of GPS, RF, Voice Identification, Alcohol Monitoring, Supplemental Support Services, Smartphone Application, and Data Analytics software, and technologies. Authorized City personnel can utilize TotalAccess as a single, consolidated software suite for all monitoring tasks—users do not need to toggle between multiple interfaces for different equipment types. Accessible from any web-enabled device, TotalAccess places critical program data in the hands of agency personnel—regardless of location. Housed in BI’s highly secure and redundant data centers, we designed TotalAccess to be always available, secure, and robust to support City programs that operate on a continual basis.



**Figure 35. BI TotalAccess**

BI TotalAccess is a single software platform that allows City personnel to manage their entire electronic monitoring caseload. From any web-enabled device, users can view program information, manage alerts, or perform any number of other tasks.

*The Contractor(s) central monitoring service center shall include a central computer system, compatible software and all the needed equipment that is capable of complete supervision of the electronic monitoring program with complete redundancy as defined below. This includes receiving and initiating communications to/from the participant's home and to communicate with both the participant and his home monitoring equipment. The system redundancy shall meet the following requirements:*

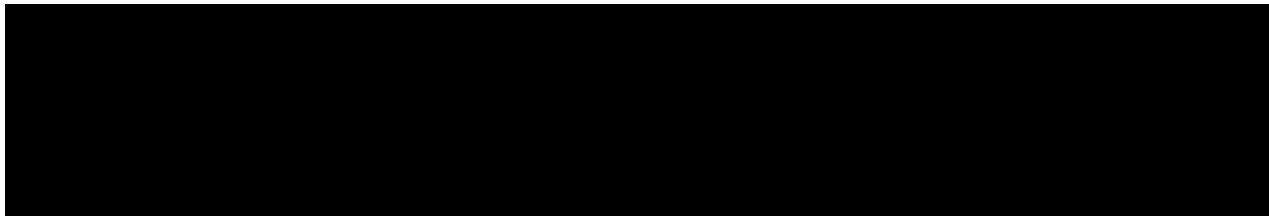
BI’s solution includes TotalAccess electronic monitoring software housed in BI’s data center and Monitoring Operations facility. The foundation of BI’s solution is the server architecture that hosts the TotalAccess application. TotalAccess is a completely web-based system that will be hosted on BI-maintained servers. Our solution automatically communicates with equipment located in the client’s home.



BI's cloud platform is architected for complete redundancy by having two United States-based secure data centers. These data centers are located in different geographical regions—one is located in the Rocky Mountain region and the other in the Eastern United States—ensuring that should one area of the nation be hit with a natural disaster; BI servers will remain active and not lose any information. At any given time, one of our platforms serves as the primary and the other as the backup. The majority of the platform is supported by Virtual computing resources and scalable across an n-tier architecture. With appropriate monitoring, additional platform components can be deployed to support growth, on an as needed basis.

*a) The central computer system with all associated equipment and services shall be located in a secure, environmentally controlled access facility and provide twenty- four (24) hours a day, seven (7) days a week monitoring.*

BI securely maintains our monitoring computer system in restricted areas. Authorized personnel with the proper security clearance must use an access card to enter the server rooms. Each server room contains multiple security features—including interior and exterior cameras and alarms—and BI System Administration staff are onsite and/or on-call 24/7/365.



For further protection, our data centers incorporate smoke detection equipment, FM-200 fire suppression systems, redundant cooling systems that maintain proper temperature and humidity levels, and sensors to help prevent water damage. We use [redacted] to actively monitor these systems and the server rooms. If an abnormal or critical condition occurs in the server room environment, the [redacted] system automatically and promptly alerts System Administration staff. In addition, System Administration regularly runs and reviews system analysis reports to track operational trends and proactively identify potential issues.

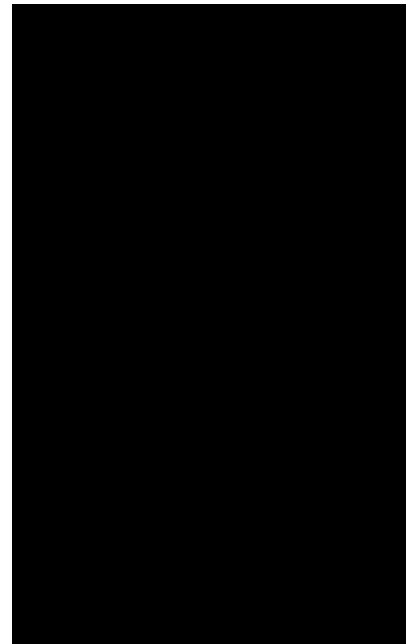
*b) The central computer system shall have the ability to perform monitoring with an unlimited number of different curfew periods per day and on a customized schedule for each participant.*

TotalAccess is capable of supporting an unlimited number of curfew periods per day and supports customized schedules for every client monitored by the City. Curfew schedules can be modified down the minute for each client monitored in TotalAccess.

In addition, officers or authorized City personnel can create a commonly used weekly schedule and apply this schedule to multiple clients in their caseload. Once a schedule has been applied to a client, it can easily be changed to accommodate the client's personal conditions. For instance, a weekly schedule could be quickly modified if the client has a court hearing or substance abuse treatment—**exceeding** RFP requirements.

*c) The central computer system shall be capable of retaining personal information for each participant. The Contractor(s) shall also provide a means to enter, modify or delete any of this information by the system operators as requested by designated City officials or staff.*

TotalAccess *Client Profile Screens* capture each client's individual demographic and other information and is capable of saving all new and



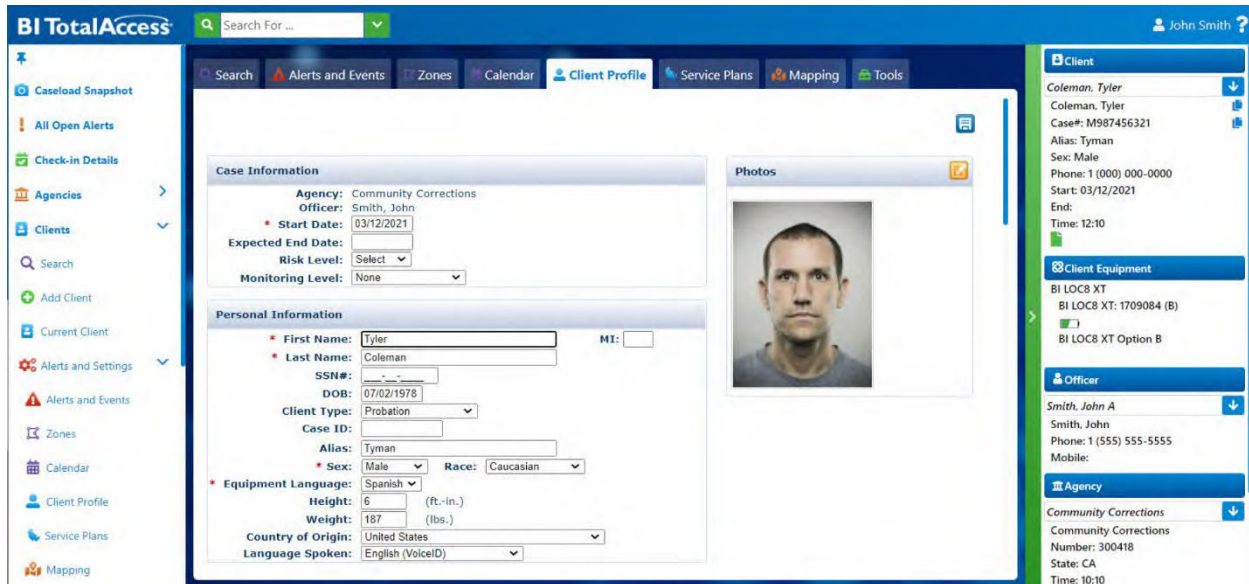
**Figure 36. Unlimited Curfews**  
TotalAccess supports the ability to create unique curfew periods with different curfew schedules for each day of the week, for each offender.

modified information in near real-time. Agency staff can enter clients’ demographic information, judicial/charge history, employment information, educational activities and rehabilitative activities, pictures of the client, standard rules, and custom monitoring parameters. The following table identifies other relevant client information that the agency can store within TotalAccess via the *Client Profile Screen*.

Table 27. TotalAccess Client Profile			
Category	Data Fields		
Case Information	Agency name	Client start and end dates	Payment method (optional)
	Client risk level (optional)	Officer name	
Personal Information	First name	Last Name	Gender
	Language	Date of birth	Alias
	Case ID	Height	Weight
	Client type	Social Security Number	Photos
Contact Information	Client Address	Client Email	Client Phone Number

In addition, TotalAccess can accommodate each client’s unique monitoring requirements—including GPS zones, RF curfew schedules, biometric check-ins, and alcohol data.

The following figure provides an example of the TotalAccess *Client Profile Screen*.



**Figure 37. TotalAccess Client Profile**

The TotalAccess Client Profile contains a comments field where officers can enter specific information about an individual. Similarly, authorized users can enter comments or case notes within each alert or event to provide additional detail about the possible violation.

d) The computer system shall be able to process changes, report printing and other functions without disrupting the monitoring process. It shall have an interconnect capability for all equipment for remote printing to the City central communications unit as required.

Users can login to TotalAccess from any web-enabled device. Within TotalAccess, users can perform a variety of monitoring tasks, including adding, modifying, deleting, viewing, printing, and downloading client information. In addition, users can alter monitoring information, such as zones and schedules. As a web-based software platform, TotalAccess provides a remote and automated capability for accessing the monitoring system data to view, print, and download information, including all reports. Officers only need to be trained on one interface that translates across multiple platforms and devices. BI confirms using these TotalAccess functions does not disrupt the monitoring process.

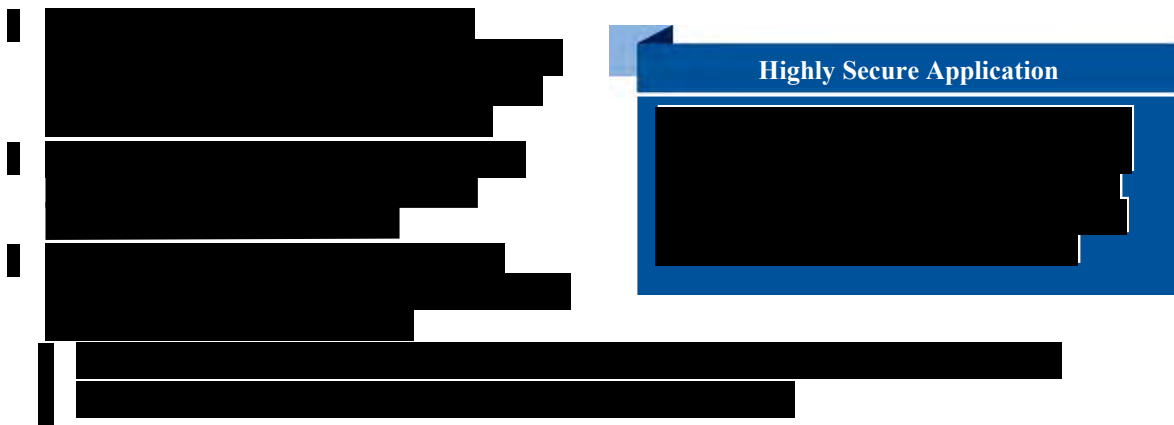
*e) The contractor(s) shall provide an uninterruptable power supply (UPS) for an instantaneous backup power source to prevent the loss of information and data in event of short-term commercial power losses.*

The BI monitoring computer system is fully protected against power surges and other circumstances where information/data could be lost. In our data centers, power is conditioned and protected as it passes through a Transient Voltage Surge Suppressor (TVSS) device, the Uninterruptable Power Supply (UPS) systems, surge-protected power distribution units (PDU) in the server racks, and then into the servers themselves. In addition, the computers in BI Monitoring Operations have UPS protection.

*f) The contractor(s) shall provide for an automatic backup of data on magnetic media for any commercial power loss. This backup procedure shall also be performed at least once a day to prevent data loss due to a system failure and be retained for at least one (1) year.*

BI will maintain all subject, equipment, and monitoring information permanently in TotalAccess. BI will maintain historical data on backup tapes. Authorized City personnel can view all programmatic information, including all notifications and events, at any time from any web-enabled device through TotalAccess or by calling BI Monitoring Operations.

BI's data retention systems, policies and procedure meet or exceed the standards outlined in the RFP. BI incorporates the following practices into our backup strategy that we believe will meet the operational needs of the City:



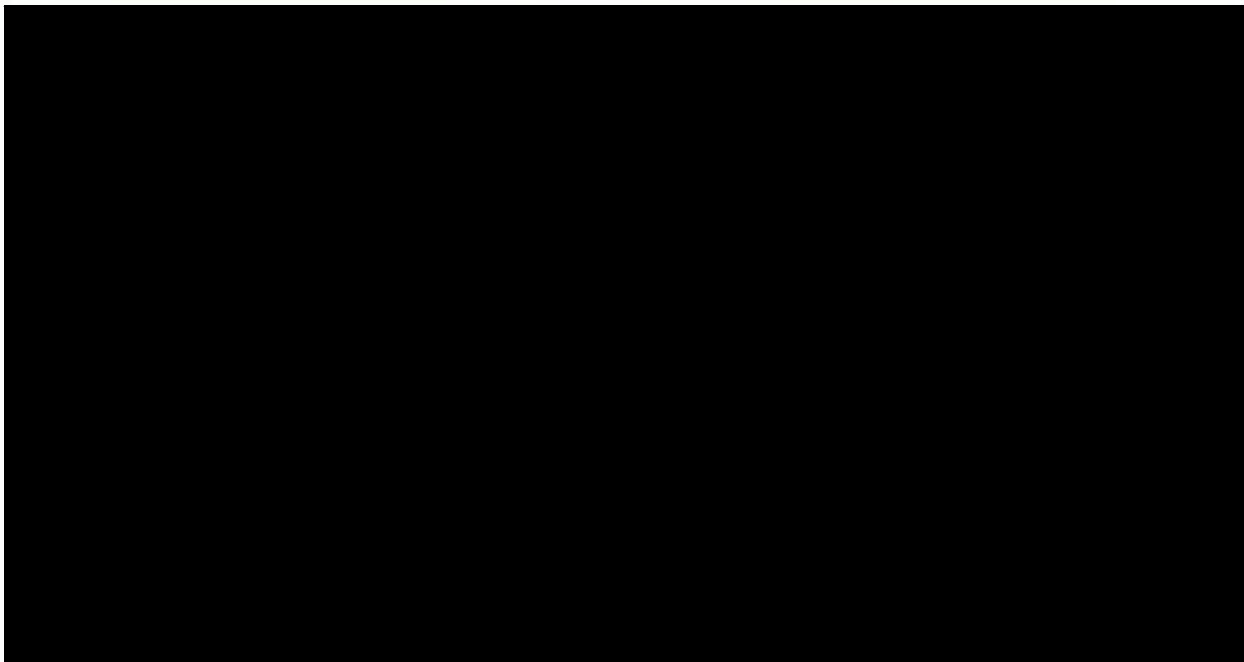
BI's central monitoring computer that houses TotalAccess is connected to three Internet Service Providers (ISPs). We maintain Autonomous System Numbers (ASN), which controls all data routing within the network. TotalAccess is able to peer directly with each ISP.

BI follows industry best practices in archiving and retrieving data. For instance, the TotalAccess database is replicated in near real time to database clusters in our primary and secondary Tier-3 data centers. BI archives data based on contract requirements as well as security framework standards.



*g) The contractor(s) shall provide a complete identical backup computer system redundancy in the event of a system malfunction, which cannot be corrected within a reasonable period of time. Specify complete addresses of both primary and redundant systems.*

BI invests in heavily redundant monitoring computer systems to support full functionality of our solution. Technological redundancies support hardware and operating architectures across multiple environments. If a component in our data center infrastructure malfunctions, the system engages a redundant component to provide an uninterrupted operating environment.



**Figure 38. Redundant Systems**

Our established systems support continuous access to agency monitoring data. Each data center is equipped with redundant power, internet, and telecommunications capabilities.

With regard to horizontal redundancy, each monitoring computer system component has, at minimum, three instances handling requests. Components from top to bottom include web servers, middle-tier servers, and database servers. With regard to geographic redundancy, all data is mirrored in real time from the primary server cluster to the second backup server. Although we are a Cloud Service Provider, we use the prevailing technology to backup data daily, monthly, and weekly.

Complete addresses for our primary and redundant systems include:

- █ [Redacted address]
- █ [Redacted address]

*h) The contractor(s) shall have the ability to provide access to the central computer system by remote PC computer terminals. Access by the City shall be made by the Contractor(S) toll-free telephone lines and/or optional alternate communications service.*

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TotalAccess has remote capability and is available 24/7/365 from any web-enabled PC (computer), smartphone, or tablet. In addition, agency staff will have access to a live customer support representative via a toll free (800) phone number 24/7/365. The City will have access to our advanced technical specialists' group at BI that will receive specialized training on the agency's procedures. BI's Monitoring Operations has sufficient telephone lines to handle all incoming and outgoing calls.

*i) The contractor(s) shall provide a redundancy for its telephone carrier and be capable of immediately switching to an alternate in the event that the primary service is interrupted.*

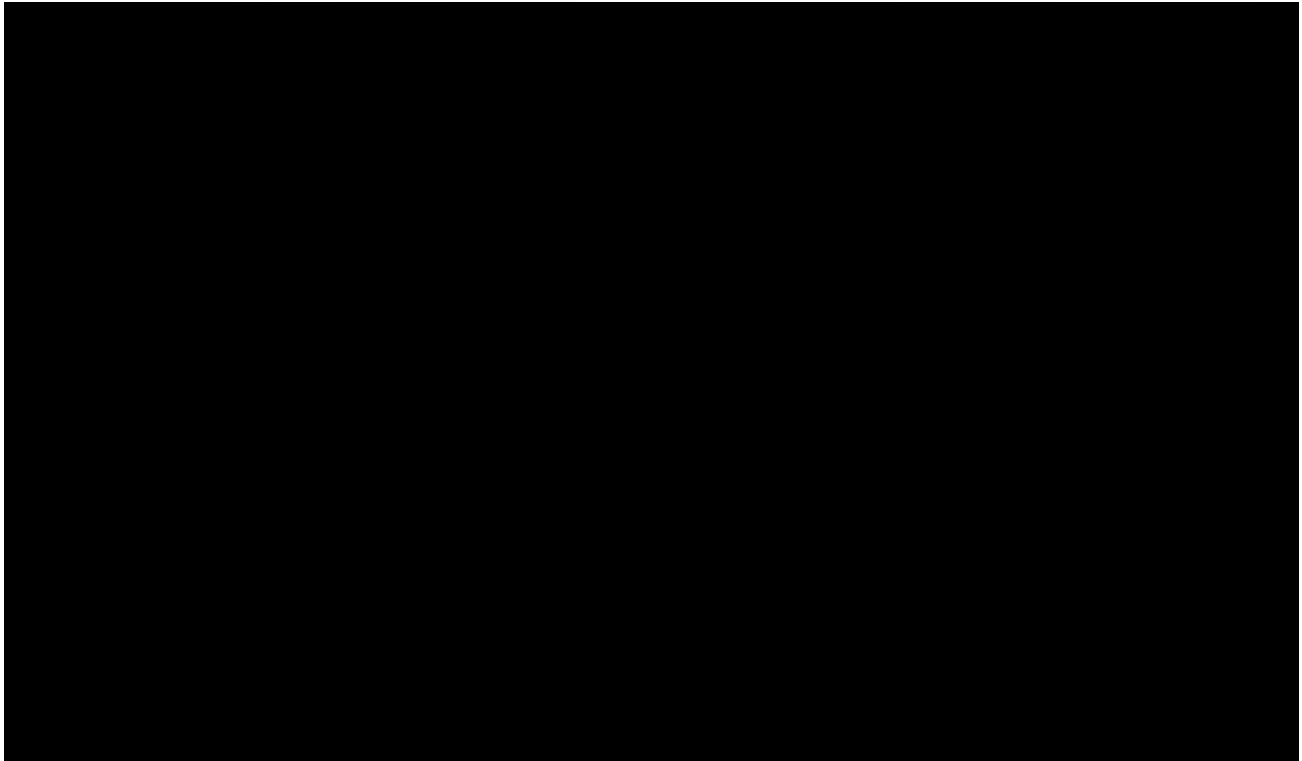
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We use two separate long-distance carriers to provide redundant phone line paths for equipment calls into our data center.

### 3.1.4.7. Central Computer Monitoring System Software

*The central computer at the Contractor(s) central monitoring service center shall include a compatible software program with the capability to report on the entire electronic monitoring program. The software program shall be user friendly. The electronic monitoring software shall also be accessible via remote terminal at the City through dedicated line or internet access.*

As a single, consolidated software platform, TotalAccess provides users with the convenience of monitoring their entire caseload from a streamlined interface. BI confirms that TotalAccess is a compatible software program that has the capability to report on the City's entire monitoring program.



**Figure 39. Advanced Audit Capabilities**

BI's central monitoring computer system stores all data with a historical transaction record, which includes all changes made to data, when the user modified the information, and the user who made the change.

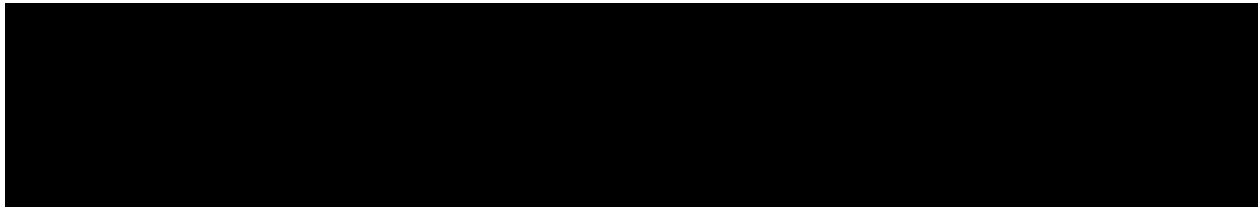
BI designed TotalAccess for use in community supervision programs, with the needs of officers and other administrators in mind. As summarized by the following graphic, TotalAccess offers a single web interface, on one platform, for all solutions detailed within this proposal. Examples of specific features that demonstrate how TotalAccess is an easy to use, intuitive solution include:

- **Highly Accessible.** City personnel can login to TotalAccess from any web-enabled device, or from the TotalAccess mobile application. The software updates in near real-time and includes several timesaving features designed for users in the field. For example, an officer can close an alert with a single click, and a supervisor can receive a prompt notification of the update.
- **Adding Clients.** Authorized staff can easily enroll clients in TotalAccess by entering key client demographic, equipment, contact, and other data points directly into the software. Specific enrollment processes vary based on the type of monitoring equipment in use; however, as a consolidated platform, TotalAccess maintains all client information from a single interface. Because

TotalAccess is a web-enabled solution, authorized personnel can perform the above-mentioned tasks from the field using TotalAccess Mobile, including enrollment.

- **Entering Client Schedules.** The TotalAccess calendar interface shares the same features as common calendar applications. Users can easily drag, click, and modify client schedules in an intuitive manner. In addition, users can accept schedule change requests submitted by clients via SmartLINK.
- **User Dashboards.** Officer can quickly prioritize their attention by viewing the detailed at-a-glance dashboard that reduces manual navigation of the software. This feature is in development and will be released to City personnel during the next contract term.
- **On Demand Reporting.** Authorized City staff can easily run a wide variety of reports on-demand within TotalAccess. Users can export report information into Microsoft Word, Excel, CSV, or PDF formats.

Authorized users can access TotalAccess via remote terminal (web browser), TotalAccess Mobile application, or by calling the Monitoring Operations center.



### 3.1.4.8. Reporting

As a key aspect of measuring client compliance and monitoring programs, City personnel need to generate and access reports in the office and in the field. Reports must properly capture and consolidate crucial information to help stakeholders identify program trends, monitor equipment usage, track client behaviors, and relay key statistics to measure the overall performance of the Offender Monitoring Program.

Access to reliable, updated, and easy to understand information is critical to accurately monitoring clients in the community. Described throughout this section, TotalAccess includes powerful reporting tools for City and Participating Public Agency use—including a new, comprehensive analytics engine that transforms large amounts of data into actionable information. As demonstrated throughout this section and proven by BI's past performance, BI is able to meet or exceed all reporting requirements.



**Figure 40. Data Access, Anywhere**

A powerful software tool that enables authorized personnel to access and sort vast amounts of data is a critical component of a successful electronic monitoring program. Evaluating comprehensive program data is essential to keeping communities safe and determining offender compliance.

*a) The Contractor(s) system shall provide standardized reports for all functional areas covered by the Contractor(s) contract. In addition, report parameters are subject to change by the City during contract performance, and other reports shall be required as requested by City.*

Electronic monitoring programs inherently generate large amounts of data—which can be overwhelming to officers, supervisors, and other agency personnel responsible for operating community supervision programs. With the goal of providing intuitive monitoring tools, TotalAccess offers an interface, or “dashboard”, that allows users to query and export data in meaningful ways that have the potential to positively impact program outcomes.

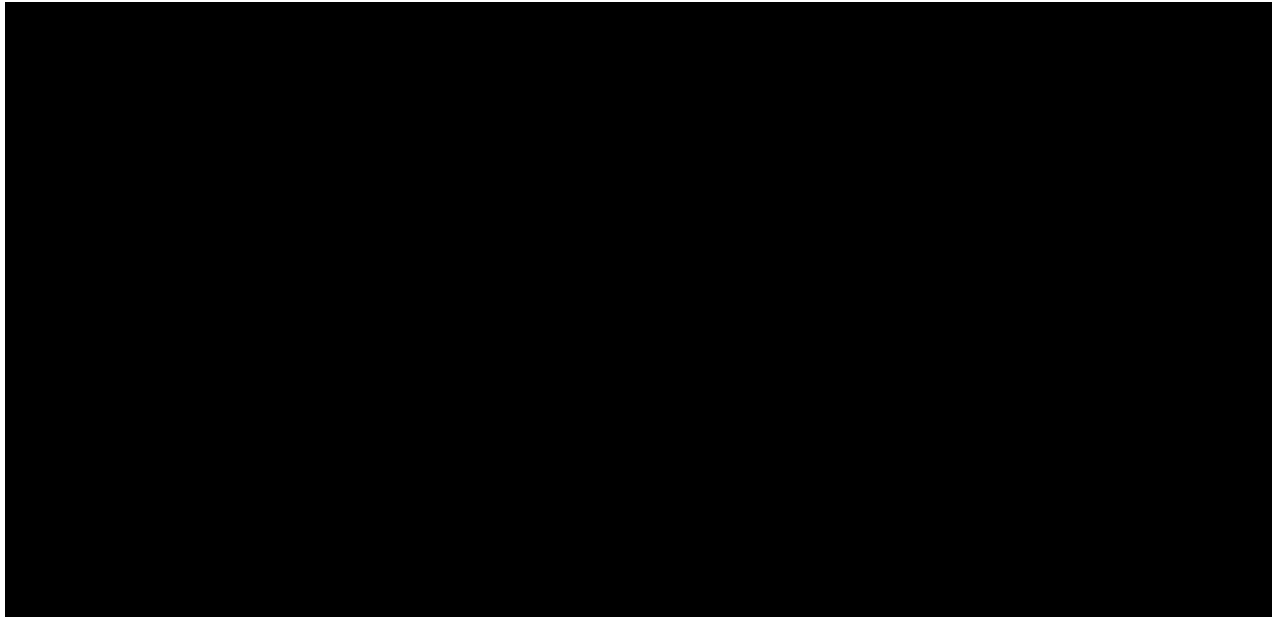
Instead of running reports the traditional way by selecting the report and exporting the data to excel, TotalAccess empowers users to view data in an intuitive “grid” format. This eliminates the need to export data to support sorting and aggregating information; all data management capabilities occur directly within the software. An example of this data management feature is provided in the following graphic.

TotalAccess data management capabilities are frequently used by the agencies we serve to replace running automated, standard reports. Examples of data management use cases include:

- Tamper and Missed Callback alerts remaining unresolved
- Viewing clients tracked on GPS monitors by last location point or those in active pursuit mode
- Addressing technology exceptions or missing technology cases to ensure clients are being correctly monitored. Reviewing officer caseload trends or geographic trends, for example increase in “low battery” alerts for a specific caseload or area
- Running alert data to view unresolved/open alerts

The graphic on the following page provides an example of this capability.





**Figure 41. TotalAccess Data Management Capabilities**

As a highly customizable interface, users can select the type, layout, and date range of data displayed in TotalAccess. This eliminates the need to export information to find meaningful trends in data.

*b) When “real-time” information is not available, or data-analysis and review is needed by the Contractor(s), the monitoring service center shall provide the designated personnel with daily reports about all monitored activities. This report, summarizing all participants’ adherence to established protocol, will be faxed or accessible via remote terminal at the designated City Area Offices through dedicated line or internet access (as determined by City) by four (4) a.m. every day.*

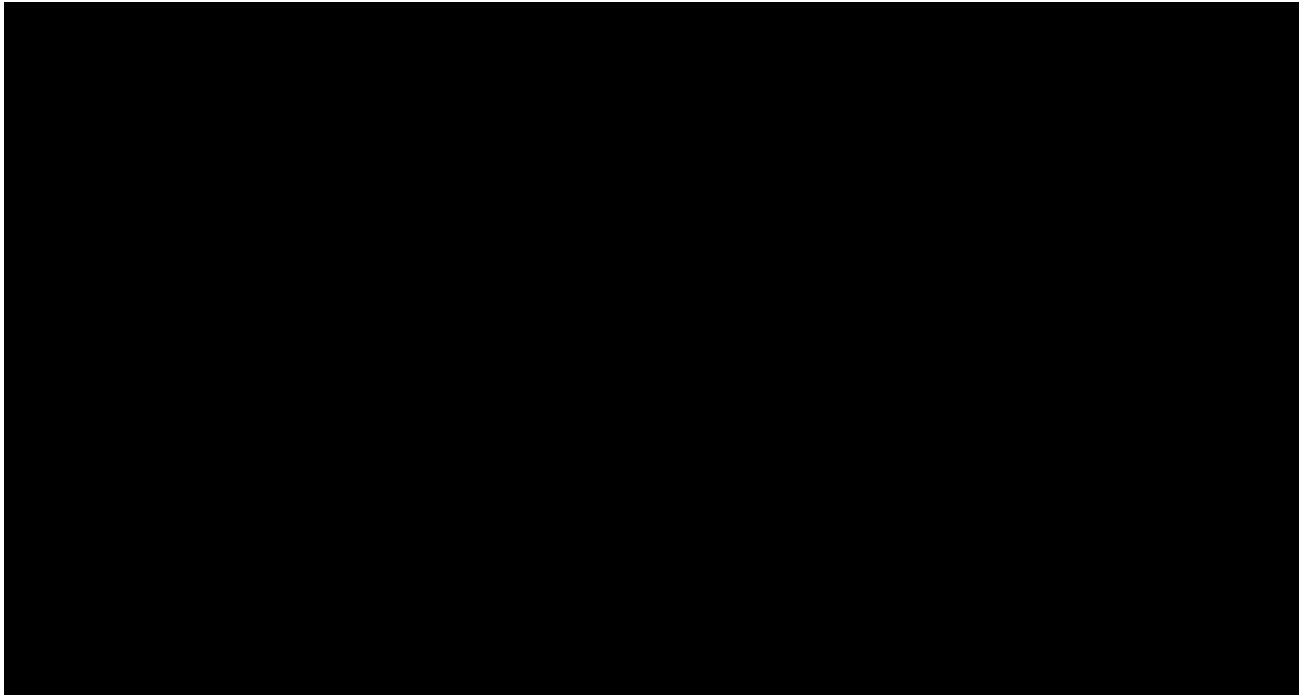
As detailed throughout this proposal, BI houses TotalAccess on a highly secure, redundant, and available server architecture. The likelihood of real-time data being unavailable is very small. However, in the unlikely event of data unavailability, BI will provide required reporting to meet the City’s needs.

As a fully automated solution, TotalAccess has the ability to generate and deliver required reports to designated personnel on a regular basis—for example an alert summary report to be delivered at 4 am, daily, to City staff.

### **Alert Summary Report**

From within TotalAccess, users can generate an Alert Summary Report that displays the total number of alerts. Information in this report includes:

- Transmitter tampers
- Curfew alerts
- Client name
- Agency
- Exclusion/Inclusion Zone alerts
- Missed calls
- Officer name



**Figure 43. Alert Summary Report**

The *Alert Summary Report* enables the supervisor to quickly breakdown alert totals by client, officer, or both.

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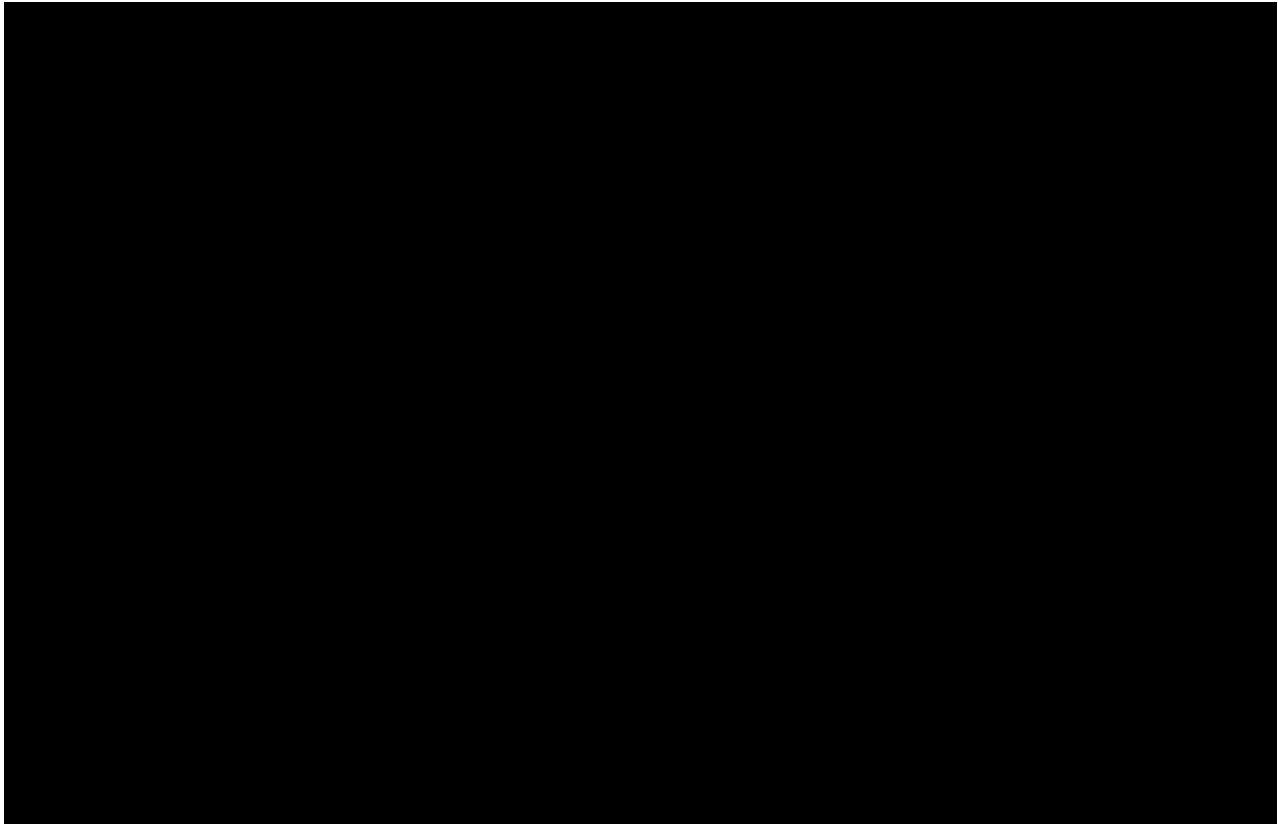
c) *The monitoring service center shall have available daily reports of cases added and removed during the preceding business day.*

---

TotalAccess is equipped with a *Client Add/Delete Report* that identifies the clients added or removed from an officer's caseload. TotalAccess permits users to set a date and time range to pull data, and multiple officers can be included in one report. Information in this report includes:

- Equipment serial number
- Officer name
- Offender name
- Totals
- Create date
- End date
- Status code

Agencies use this report to review overall installations or removal totals for a specific population, caseload, date, or office. The *Client Add/Delete Report*, shown below, enables the City to quickly identify the information in an itemized or total format.

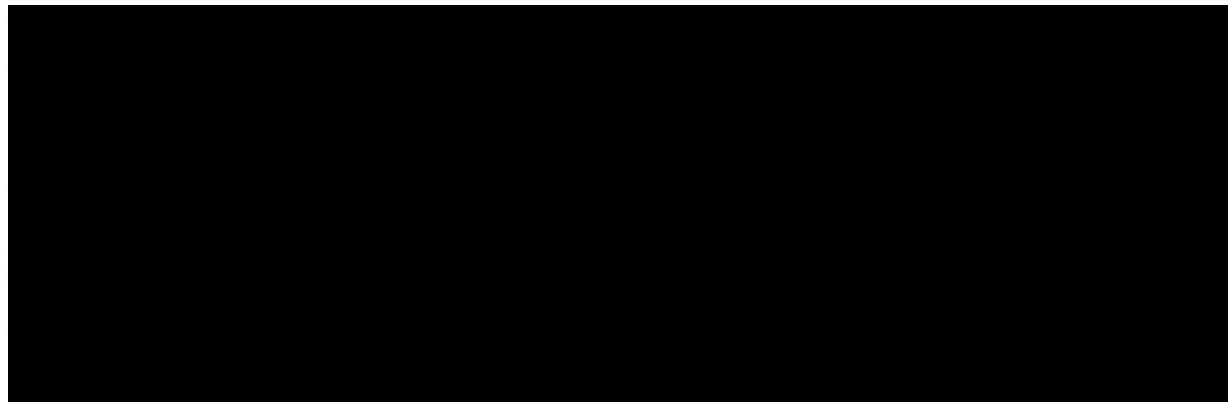


**Figure 44. Client Add/Delete Report**

The City and Participating Public Agencies can easily query daily installation and removal statistics from TotalAccess.

- d) The monitoring service center shall have available an alert device and arrangement to notify the City of offender's unauthorized absences/late arrivals plus equipment malfunctions immediately from the initial occurrence, through dedicated line or internet access (as determined by City), to the City.*

TotalAccess' automated notification capability will allow for real-time delivery of alerts, via internet access, in the format highlighted in the figure below. Alerts including, but not limited to, absences/late arrivals and equipment malfunctions can be delivered to the destination of the City's choice.



**Figure 45. Open Alerts Status Report**

In addition to automated text, email, and push notifications, users can query all open alerts from within TotalAccess.

e) Alerts for tampers, zone violations or curfew violations shall be transmitted in “real time” to the designated staff by different means (as determined by City). The method of notification will be determined by the City for each participant, caseload, or agency. Participants shall also be notified of alerts, at the discretion of the designated staff.

TotalAccess has an automated notification capability that provides real-time delivery of alerts. Alerts including, but not limited to, tampers and zone/curfew violations can be delivered to the destination of the City’s choice.

### Communicating Alerts to Participants

BI can configure TotalAccess to alert clients of noncompliant activities. Similarly, some equipment has client communication features built directly into the unit. For example, the City can configure the LOC8 XT tracker to play an audio message or vibrate to alert the client of noncompliant activities.

**SmartLINK Connect Communications: Client Smartphone Application.** SmartLINK Connect (described in detail on page 169) is available as a complement to BI devices—including all proposed GPS, RF, and alcohol monitoring units—to facilitate two-way communications between officers and clients.

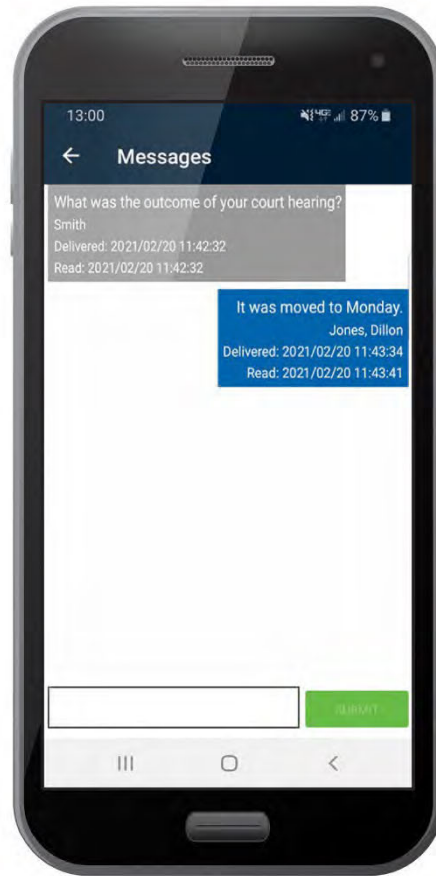
SmartLINK, BI’s proposed client smartphone application, displays electronic monitoring schedules, appointments, and curfew restrictions. The application can proactively remind the client of monitoring restrictions and events—not only reducing the number of potential violations and associated alerts, but also supporting client compliance.

f) If requested, in response to reports of monitoring violations by program participants, the contractor(s) shall prepare a written assessment based upon information received through the contractor(s) confirmation procedure and provide it immediately to the City.

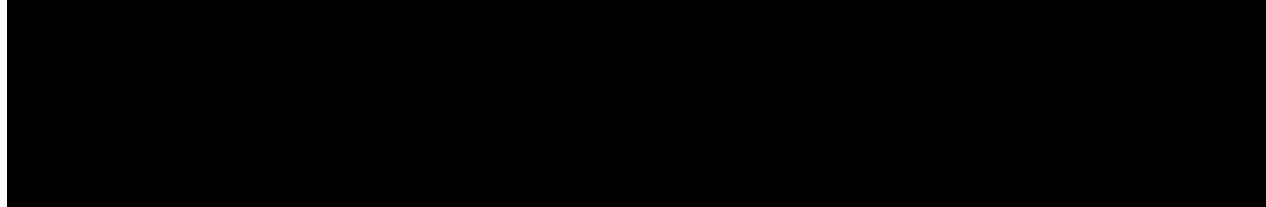
Electronic monitoring data is frequently used as evidence in judicial proceedings, to support enforcement priorities, or for investigative purposes. BI will promptly provide the City with all requested information, including written assessments, about client monitoring data. We will work closely with the agency to determine the format of the requested data. BI will provide this information in CD, screenshot, written narrative, or DVD formats. We will provide this information immediately to City personnel upon request.

g) The contractor(s) management information system shall be capable of generating standard reports. The contractor(s) shall be required to provide custom reports and statistical analysis. Standard reports include number of clients, number of incidents (equipment reports, violations, equipment malfunctions, etc.), client histories, curfew schedule, and assigned City staff. Examples of custom reports that shall be required are number of days a client is monitored, etc. Contractor(s) shall include examples of all reports they are capable of generating as part of their proposed package. City shall be notified twenty-four (24) hours in advance of any anticipated interruption in service.

BI remains committed to alerting the City, 24-hours in advance, of any service interruptions.



**Figure 46. Communicating with Participants** SmartLINK includes text messaging and video conferencing features that support two-way communication with clients, regardless of the type of monitoring equipment used.



BI TotalAccess includes 40 pre-defined reports to assist City personnel with all aspects of caseload management. The City can run reports at any time, and reports can be searched, sorted, or queried on any field. All reports can be exported as PDFs, Word documents, or Excel spreadsheets. Most reports take less than a minute to run, and users can save reports to a hard drive or email them with the click of a button. The pre-defined reports available in TotalAccess include:

- Activity reports that provide information about client movements, alerts, events, and equipment statuses such as battery charge levels
- Administrative reports that provide summaries and snapshots of data for specified timeframes
- Reports that provide information specific to individual clients
- Reports that provide audit information such as the history of changes made to procedures and client profiles, and the history of client assignments and events for specific units

City personnel can schedule frequently used reports for automatic delivery by email. Reports identified below can be sent at a specified date and time, or on a daily, weekly, or monthly basis.

Most reports take less than a minute to run, and users can save reports to a hard drive or email them with the click of a button. BI's TotalAccess predefined reports are listed in the table below.

**Table 28. Predefined TotalAccess Reports**

Report Category	TotalAccess Report	
<b>Activity</b>	72 Hour Open Alerts Active Cases Exception Activity Summary Activity Summary Consolidated Agency Alert Count Alert Detail Alert Summary Alerts By Type	Compressed Summary Crime Scene Correlation Daily Summary Recent Case Activity Zone By Zone Client Stops Client Time In/Out of Range Open Alert Status
<b>Administrative</b>	Agency Active Client Agency System Utilization Customer Agency Summary	User Request Log Device Current Usage Monthly Equipment Summary
<b>Client Information</b>	Case Status Caseload At A Glance Caseload Profile Caseload Statistics Client Inactivation By Date	Client List Client Profile Client Schedules Clients by County Client Add Delete
<b>Other</b>	Client Procedure Overview Client Profile History Device Assignment	Notification Suspension Zones and Schedules Device History

Please see *Appendix G* for samples of all TotalAccess reports.

### 3.1.4.9. Inventory Management

A key component of BI's solution is our comprehensive inventory management services that combine local personnel, invoicing processes, and powerful software. This approach to inventory management ensures that the City is only billed for active units, spare levels are adequate to monitor all populations, and lost and damaged equipment expenses are minimal. As detailed throughout this section, key components of our inventory management approach include:

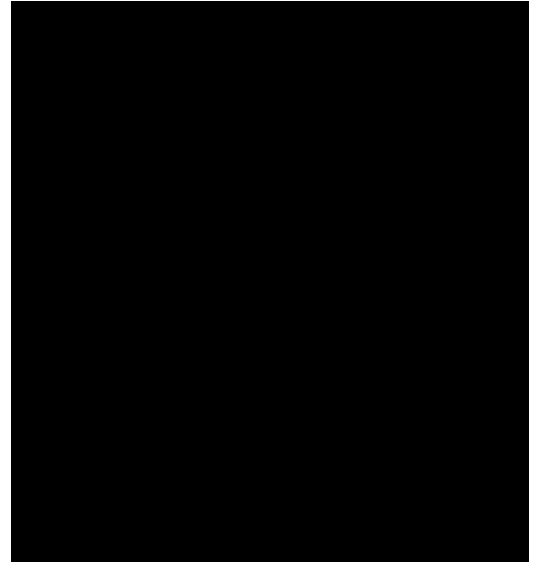
- **TotalAccess Inventory Management Software.** Through TotalAccess, City personnel can run reports to see an accurate snapshot of equipment inventories.
- **Inventory Oversight from Vendor Representative.** As with all other aspects of the City's program, BI's Customer Business Services, with support from the Account Executive, will oversee all inventory management activities.
- **Inventory Reconciliation Process.** To ensure that inventory records are always accurate, BI will continue to follow our established and proven inventory reconciliation process currently in use.
- **Established Billing Processes.** BI has established billing processes for all customers ensuring that invoices accurately reflect City equipment usage.

#### Inventory Management Plan

BI's *Inventory Control Plan* is a thoughtfully designed organizational system that provides agencies with expedient means of tracking equipment. This provides the ability to track the status of all devices, in near real time. After working with agencies to ensure inventory is secured and stored at the proper locations, authorized users can access inventory information via TotalAccess.

BI's *Inventory Control Plan* includes:

1. Specialized training on inventory control best practices, including the use of barcode scanners to ease agency staff workload and efficiently track equipment.
2. Designated BI staff will work closely with the agency to ensure that spare unit inventory adequately meets installation needs.
3. Authorized users are able to view inventory information at any time via TotalAccess, including the number of active units and the number of inactive (spare) units.
  - a. TotalAccess Mobile is also equipped with inventory management capabilities, as detailed in Figure 45.
4. Should the agency require additional inventory, authorized personnel will place an order with BI's Customer Business Services Department.
5. Through TotalAccess, BI will provide detailed Inventory Reports to the agency on an as needed basis. In addition, the designated BI staff will regularly contact agency personnel where inventory is stored.



**Figure 47. TotalAccess Mobile Inventory Management**

TotalAccess Mobile includes inventory management features that streamlines operations. For example, users can view information for the last client assigned to a device and tap a button to email the inventory information for further review.

*a) The system shall have the capability of tracking units and equipment that have been returned to the Contractor(s) due to malfunction and provide reports concerning problems found.*

---

As part of our inventory practices, BI does not wait to receive returned equipment before shipping the replacement items. City personnel will always have access to equipment records to ensure proper and proactive inventory management. BI staff and City personnel can monitor inventory levels from within TotalAccess—which includes the ability to generate several pre-defined reports that provide up-to-date inventory information.

### **Evaluating Device Malfunctions**

BI's established *Failure Analysis Process* evaluates devices that fail in the field. Key components of our approach include:

1. Agency personnel complete the RMA Authorization Form that details the reason the device is being returned, date and time of the incident, deadline for a completed analysis if required by revocation or court proceeding, and other details about the suspected failure.
2. BI coordinates shipping the unit and all associated components back to our manufacturing facility, at no cost to the agency
3. BI Hardware Engineers complete a written diagnostic analysis by:
  - a. Deconstructing the device to determine the cause of failure or method of tamper
  - b. Examining TotalAccess data to discover related events or alerts generated by the unit
  - c. Testing all components and taking photographs if tamper damage is evident
4. BI reports all investigation steps, reasons for the technical failure, tamper investigation results, and photographic evidence, as applicable, to the requesting individual

*b) The Contractor(s) system shall provide a report of accurate inventory of all equipment and accessories charged to the City. The inventory database shall include item name, serial number, offender name (or "shelf stock" if not in use) and total items in inventory. This system shall have the capability to track inventory by Department.*

---

As a significant benefit of our proposed solution, the BI TotalAccess software includes integrated and interactive inventory management features. BI's Inventory Variance Report quickly identifies discrepancies between the physical inventory in the office and the inventory listed in TotalAccess. The process uses a barcode scanner to create a text file of the inventory that is sent to TotalAccess. Inventory discrepancies are then noted in the report.

### **TotalAccess Inventory Fields**

Authorized personnel can search inventory by agency, subject, or serial ID for all equipment assigned to the City. TotalAccess displays the following data rows to provide detailed inventory information:

- Checkbox to select multiple devices
- Status Date
- Assigned Agency
- Agency Owned
- Serial Number
- Device Type

*c) The Contractor(s) shall provide a dedicated representative to perform the following:*

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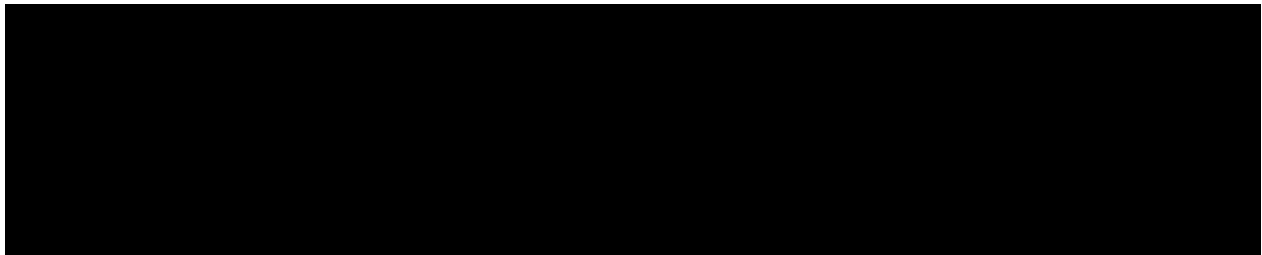
BI will provide a representative that will be dedicated to supporting the City's program. This representative will support this contract and continue to service other agencies. BI will provide a team of representatives to support City operations. Through this team approach—via account management, billing, and inventory specialists—BI will oversee equipment inventories for the City and OMNIA Public Purchasing Agencies, including:

- Providing overall inventory management of electronic monitoring equipment
- Updating the inventory database on initial installation of monitoring equipment
- Updating the inventory database for shelf stock at the time of initial installation of monitoring equipment, as needed
- Reconciling inventory
- Maintaining productive working relationships with internal support staff and partners to ensure a high level of customer service
- Quickly resolving issues regarding equipment orders and returns

*i. Update the inventory database on initial installation of monitoring equipment;*

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When the authorized individuals install a monitoring device and enroll a client in TotalAccess, BI's solution will automatically update the inventory database within the TotalAccess software.



*ii. Update the inventory database for shelf stock at the time of initial installation of monitoring equipment.*

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When BI equipment is shipped, our inventory representative will initiate an automated inventory process that designates the equipment in TotalAccess as Inactive. That equipment becomes available for an officer to assign to a client or pretrial defendant.

*iii. The Contractor(s) shall reconcile inventory by department on a monthly basis no later than the seventh (7th) of each month. The City reserves the right to change the number of reconciliations per year and requirement date.*

---

BI's inventory reconciliation process incorporates the comparison of a utilization report pulled from TotalAccess, which details all inactive equipment assigned to the City, and compares it to a physical inventory of equipment for the same point in time. This will ensure that the City has physical possession of all equipment assigned to it. This process identifies equipment that is assigned to the City but may be "unaccounted for".

With the understanding that the City reserves the right to change the reconciliation frequency and date, we will comply by no later than the seventh of each month until instructed otherwise.

*d) The Contractor(s) shall maintain the equipment and spares in good condition and arrange for the repair or replacement of the equipment within two (2) business days.*

---

BI will offer a shelf allowance to ensure that all equipment and components can be replaced by the City. This inventory supply allows officers to immediately replace damaged devices or add new subjects to the program. BI will replace items pulled from inventory within two (2) business days.



### 3.1.4.10. Maintenance and Support

BI is the Original Equipment Manufacturer (OEM) of all proposed equipment, empowering our organization to provide the City and OMNIA Partners with reliable products and responsive support services. The BI Internal Operations Department produces high quality units supported by 24/7/365 in-house support.

Additional key aspects of our equipment maintenance and support capabilities include:

- BI Manufacturing is ISO-certified and incorporates stringent quality protocols
- BI Account Support staff and Customer Business Services assists agency personnel with inventory management, including replenishing spare equipment levels as needed
  - In the unlikely event that a unit malfunctions, agency personnel can quickly install a replacement unit using their local inventory of spare equipment—with no need to create unnecessary delays by waiting to receive a replacement unit from the manufacturer
  - As needed, BI will service and/or replace defective units, working closely with the agency to ensure that there are no interruptions to program operations
- BI Engineers design, develop, and support our continuum of products, which includes responding to and researching technical issues as needed
- BI Monitoring Operations provides 24/7/365 technical support, including an established, tier-based escalation process to promptly resolve technical questions
  - BI Monitoring Operations can be reached at any time via a toll-free business telephone number, email, and/or fax



**Figure 48. Responsive United States-Based Manufacturing**

BI's manufacturing facilities, located in Boulder, Colorado, are capable of producing large amounts of equipment in short timeframes and can meet all contract requirements for equipment.

*a) The Contractor(s) shall utilize a dedicated support team to provide maintenance and support on a twenty-four (24) hours a day, seven (7) days a week basis.*

BI is the manufacturer of all the electronic monitoring devices offered in this proposal and leverages our dedicated support team to provide maintenance and assistance on a 24/7/365 basis. This team consists of several departments within our organization, including manufacturing, Partnership Development, engineering, and Monitoring Operations.

*b) The Contractor(s) shall provide a toll-free number for maintenance and support.*

City staff can call, toll-free at any time to speak with BI Monitoring Specialists physically present within our Monitoring Operations facility. Monitoring Specialists provide live customer service on topics such as equipment troubleshooting, subject status checks, software assistance, reports, and on-time alert notifications. On average, our staff answer incoming calls in less than 10 seconds.

*c) In the event any component of the Contractor(s) service becomes inoperable, the Contractor(s) shall immediately notify the City Contract Manager or designee by telephone, but no later than thirty (30) minutes after the discovery of the service failure.*

---

BI will notify the City supervisor of any interruptions, telecommunication delays, or reporting system outages on a 24/7/365 basis in accordance with *RFP* requirements. BI's highly secure, redundant, and reliable data centers minimize the likelihood of system outages or other technological issues. BI's *Standard Operating Procedure* for ensuring that we notify the City of interruptions in service includes:

1. Several process-checking applications are continuously running on BI's system platform
2. In the unlikely event a process check detects a deviation in normal traffic or operation, the application automatically pages an on-call System Administrator and emails a notification to the entire technical team
  - a. To supplement automated procedures, if a City administrator, officer, or other authorized personnel believe BI has a system error, the individual can report the issue to BI Monitoring Operations on a 24/7/365 basis
3. BI System Administrators will immediately investigate the deviation and confirm that the error impacts key monitoring processes and agency communications
4. The System Administrator will alert the City supervisor and BI Monitoring Operations of the issue, plan corrective actions, and perform ongoing updates

BI will contact the City operations supervisor within 30 minutes of any reported communication system outage. BI follows up within two hours if the issue continues.

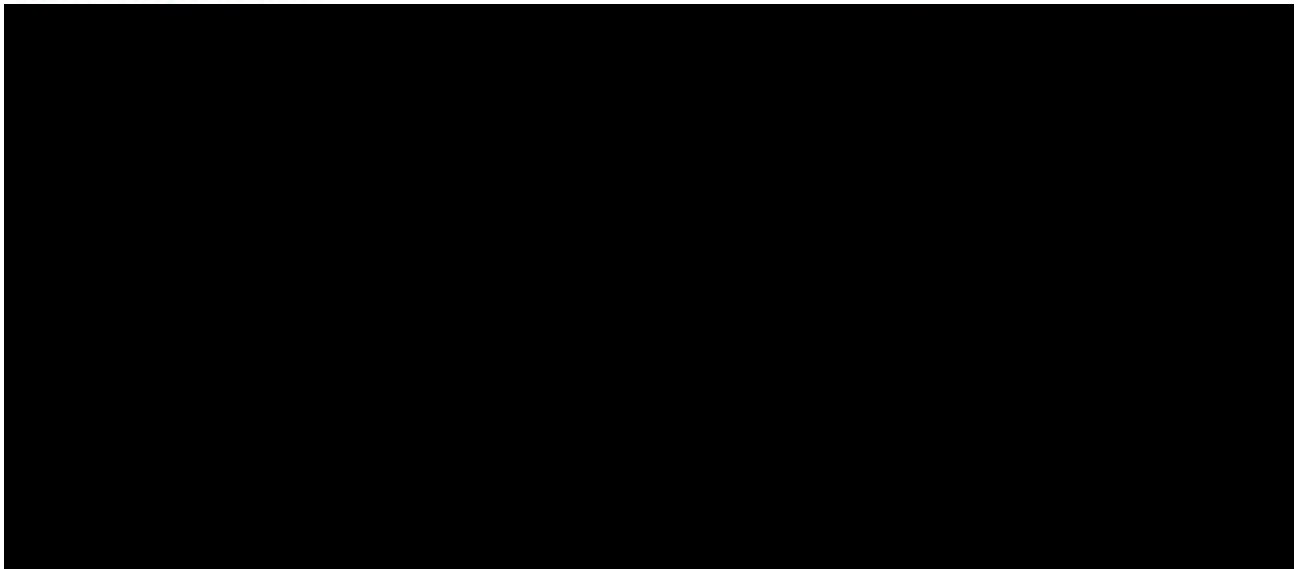
*d) Contractor(s) proposal shall contain all tiers offered and shall identify the response time by tier (identify response by telephone or email.) The Contractor(s) shall adhere to the response times contained in its accepted proposal.*

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The following graphic summarizes our tiered response-time approach.

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## RESPONSE TIMES



**Figure 49. Response Times**

Responsiveness is a core tenant of our value proposition and an essential element of our monitoring solution.

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BI Monitoring Operations is available 24/7/365 to provide live customer support, including by telephone and by email, during normal business hours and during after-hours. In addition, BI maintains documented policies and procedures for response times during system problems or issues. The figure below defines BI's System Administrator response time according to severity of problem, as well as the method of notification. BI will adhere to the response times described in this accepted proposal and the figure below.

*e) The Contractor(s) shall fully describe its proposed twenty-four (24) hours a day, seven (7) days a week maintenance and support for this contract. The Contractor(s) shall clearly identify the City's role in all aspects of maintenance and support.*

---

BI's proposed maintenance and support approach for the City and Participating Public Agencies is very straightforward. BI will be responsible for all aspects of maintenance and support—provided through our 24/7 Monitoring Operations, tenured account management staff, established manufacturing center, and all other BI departments.

Please see *Table 24. Maintenance and Support Responsibilities* on page 76 for clear identifications on BI's and the City's role in all aspects of maintenance and support.

### 3.1.4.11. Contract Transition

A functional implementation plan benefits the City's adoption of BI electronic monitoring technologies by providing discrete steps with specific timelines. Designed to maximize cooperation between the City and BI, our *Implementation Plan* provides a succinct roadmap to program success, including increased public safety and officer efficiency. As a necessary element of our *Implementation Plan*, we also recognize the inherence of risk and offer solutions for risk mitigation.

#### Experienced Implementation Team

*BI's best-in-class team has extensive experience in implementing, transitioning, and managing projects of all sizes and scopes. The transition individuals proposed are industry veterans, and BI executives have an average 20 years of experience in corrections programs and electronic monitoring.*

#### Approach to Program Implementation

BI works closely with each of our customers to ensure that we complete all program implementations and contract award activities as seamlessly as possible—regardless of whether the agency is transitioning to or from BI equipment and services. As the largest U.S.-based provider of location monitoring products and services for community corrections programs, BI supports more than [REDACTED] agencies at the federal, state, and local level. Accordingly, we possess unparalleled experience and expertise in implementing and transitioning electronic monitoring programs.

The implementation and transition processes carry an element of risk. BI substantially mitigates this risk with an experienced team that designs and manages customized Implementation Plans in accordance with each agency's unique needs and goals. Our ability to implement BI technologies, future innovations, and customized enhancements has the potential to significantly impact agency efficiencies.

*Contractor(s) shall provide a dedicated person who will be responsible for making the transition from the system under the current contract to the new system as defined in the implementation plan. This transition shall include:*

BI's experienced implementation and transition team is led by Mr. Jeremy Elliott, National Account Manager. Mr. Elliott is responsible for managing Account Executives for large and strategic accounts nationwide. He is also responsible for the project management, implementation, and operational setup of new electronic monitoring systems. Mr. Elliott has been with BI since 1998, more than a decade of which was devoted to developing and coordinating training and certification. Mr. Elliott is a subject matter expert for the BI continuum of products. A veteran of the U.S. Army, Mr. Elliott holds an Associate of Arts degree in Criminal Justice and Criminology and certificates of Specialized Learning in Distance Education.

*a. Coordination with the existing Contractor(s) on the date and time of the change over to the new system.*

As the existing contractor, BI is in the unique position to offer the City a swift and effective change over to our new proposed solution—with minimal impact on current program operations. Much of the infrastructure and technical components required under our proposed solution are currently established and proven to support the City's needs successfully.

If awarded the new contract, BI will commit to ensuring all Participating Public Agencies we currently service receive contract modifications that reflect new pricing and service options. We will also continue to offer authorized personnel additional training and review monitoring protocols. Similarly, should the City

decide to not award BI a contract, we remain committed to working with the awarded vendor to ensure a smooth transition for the City.

*b. Initial data entry or migration of identification and curfew information for all offenders being monitored at the time of the transition.*

BI will assist the City with the initial data entry for new clients and/or the modification of existing client profile or curfew information, as applicable. As the incumbent contractor, we will continue to work closely with City personnel to complete needed enrollments and data modification activities.

*c. Contractor(s) shall provide resume(s) for the personnel proposed for the contract transition with their proposal.*

Please see *Appendix C—Resumes*.

*d. Contractor(s) shall provide a transition plan for all field equipment with their proposal.*

BI will dedicate the time and resources needed to ensure that the agency’s program is established in an expedient and effective manner. All levels of BI’s organization will be engaged in the process from contract execution to full implementation. BI’s strategy to support the agency’s electronic monitoring program accounts for a number of factors that can vary over time. The following plan incorporates best management practices that we established from years of successful program implementations. BI understands that the agency has unique needs, and we will tailor the plan to best suit the agency. The figure below summarizes our implementation approach.

## IMPLEMENTATION PLAN

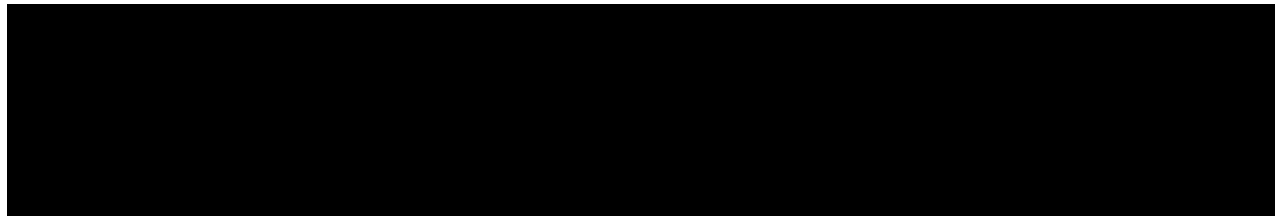
Phases and Implementation Activity



Our sample plan consists of the following implementation phases:

- Phase I—Contract Award and Execution (Weeks 1-2)
- Phase II—Agency Training and Equipment Installation Planning (Weeks 1-2)
- Phase III—Agency Training and Equipment Installation Execution (Week 3)
- Phase IV—Ongoing Training and Support (Week 4-Contract Duration)

BI has the established internal resources needed to successfully train and support the agency during the implementation of a new electronic monitoring program contract. Our *Sample Implementation Plan* includes four distinct phases and can be completed in four weeks—with ongoing training and support provided throughout the life of the contract. During the implementation process, BI works closely with the agency personnel to maintain participant accountability and public safety.



### **Phase I—Contract Award and Execution (Weeks 1-2)**

During Phase I, BI works closely with agency stakeholders to confirm and better understand agency policies, procedures, and expectations. This includes the following:

- Negotiate, finalize, and execute the contract
- Finalize program goals, objectives, and contract milestones
- Discuss agency’s desired set-up, configuration, and alert protocols
- Define any additional implementation specifications, answer questions, and finalize timelines

### **Phase II—Agency Training and Equipment Installation Planning (Weeks 1-2)**

During Phase II, BI works closely with agency stakeholders to customize plans for agency training and participant enrollment in accordance with agency and participant needs. This includes:

- Identify the number of agency staff that will undergo training
- Discuss the location, duration, and content of training sessions
- Obtain agency approval for training locations, dates, times, and agenda
- Determine agency equipment demand and delivery
- Identify the participants who will be monitored with BI devices
- Identify the participants who will transition from their current BI device to a different BI technology
- Obtain agency approval for equipment installation dates and processes

### **Phase III—Agency Training and Equipment Installation Execution (Week 3)**

During Phase III, BI completes the following:

- Deliver equipment for agency training and participant equipment installations
- Administer agency staff equipment and software training and certification tests
- Implement agency’s desired TotalAccess set-up, equipment configurations, and alert protocols
- Test and confirm notification methods and processes
- Enroll identified participants in TotalAccess and complete equipment installation

In accordance with agency needs, BI can provide teams of trainers and conduct simultaneous training sessions at multiple locations. To ensure that agency staff received comprehensive training and preparation, BI administers certification tests following training. The BI Training Department reviews completed tests to confirm that agency staff demonstrate familiarity with crucial topics. Agency staff must pass the tests to achieve certification.

**Phase IV—Ongoing Training and Support (Week 4-Contract Duration)**

During Phase IV, Mr. Elliott and other members of the BI Partnership Development team meet regularly with agency stakeholders to evaluate program progress, answer questions, address concerns, and ensure agency satisfaction with BI products and services. As directed by the agency, BI provides on-going and supplemental agency training (basic, advanced, and refresher training) via on-site and/or web-based methods.

Our *Sample Implementation Plan* is highly flexible. Upon contract award, BI will work closely with the agency to create a customized *Implementation Plan* in accordance with the agency’s specific timeline. During execution of the agreed upon *Implementation Plan*, BI provides regular status updates to agency leadership. We have a strong history of helping agencies swiftly and effectively establish fully functional programs in compliance with all schedule and budget requirements.

- e. Contractor(s) are required to demonstrate that their consultant(s) or employee(s) shall have the skills necessary to meet the objectives of this project by listing skills, industry certifications, general educational background, and knowledge set based on prior experience.



**Figure 50. Custom Training Approach**

The BI Training Department will work closely with the BI Account Management team to develop training agendas specifically for the City’s program. The Training Department will assist in providing comprehensive initial and ongoing training for agency staff.

Responsible for successfully implementing BI programs, and supported by all BI departments, Mr. Elliott has extensive experience in implementing, transitioning, and managing projects of all sizes and scopes.

The following table highlights Mr. Elliott’s extensive implementation experience. Please also see *Appendix C—Resumes*.

**Table 29. Project Implementation Experience**

Agency	Transition Metrics
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[Redacted]	[Redacted]
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**Table 29. Project Implementation Experience**

Agency	Transition Metrics
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### 3.1.4.12. Project Management for Transition

The Contractor(s) shall align their project management approach with the project’s inherent complexity so the desired results can be achieved. The Contractor(s) shall provide project management in accordance with its accepted proposal. Project management controls shall be proposed that are consistent with minimizing the project’s risks and inefficiencies which would negatively impact the RFP’s objectives. Management of scope, time, and risk are critical to effectively achieving the expected outcomes of cost, schedule, deliverables, and quality. Both City and the Contractor(s) shall be responsible for working in a cooperative manner to meet the targeted timelines defined in the implementation plan. City and the Contractor(s) shall mutually agree upon any changes to the schedule. City reserves the right to conduct any test/inspection that shall deem advisable to ensure installation/services, as appropriate, conform to specifications. Any tasks which are the primary responsibility of City shall be clearly defined and identified.

BI works closely with each of our customers to ensure that all program implementations and contract award activities are completed as seamlessly as possible—regardless of whether the agency is transitioning to or from BI equipment and services. Electronically monitoring clients inherently introduces a certain level of risk and the potential for specific problems. As the largest and most experienced provider of electronic monitoring solutions, BI technologies were designed to minimize potential issues.

**Established Project Controls**

*BI’s strategy to support the City’s electronic monitoring program accounts for a number of factors that can vary over time. Our proposed Transition Plan incorporates best management practices established from years of successful program implementations and industry-leading manufacturing capabilities—all located in the United States.*

BI’s *Risk Watch List*, shown in the table below, is an example of how we will mitigate and resolve potential risks that may occur during project implementation.

Issue	Description	Mitigation/Resolution
<b>1. Officer unavailability for initial implementation training dates</b>	Officers could miss trainings or be unavailable due to other work-related obligations on the day(s) the initial trainings are scheduled for their area.	Officers have several options to receive training; attend training at an alternate location on a different day, attend available online training, or the dedicated BI Project Manager may provide follow-up onsite training.
<b>2. Cellular service limitations</b>	Verizon cellular limitations are likely to exist in certain rural locations within the State.	BI has both Verizon and T-Mobile units available if one provider’s service in an area is better.
<b>3. Clients not reporting as instructed for equipment swap/transition to new devices</b>	Clients may not comply with scheduled appointments or cannot appear at the designated location/time for swap to the new device.	The client could report to an alternative location at a different data/time and another officer could install the device.
<b>4. Equipment issues in the field</b>	As the original equipment manufacturer (OEM) for all BI devices, our Manufacturing Department thoroughly tests all devices prior to shipment and deployment in the field to ensure full functionality. However, as with any electronic device, an unexpected issue could develop in the field.	If an equipment issue is experienced, department personnel can submit a service request. BI has an established process to quickly and effectively address the issue by providing replacement units. Agency personnel can also request a “Failure Analysis” to determine the cause of the failure for court purposes or to determine the amount of damages related to client misuse.

**Table 30. Risk Watch List**

Issue	Description	Mitigation/Resolution
5. Device installation errors	A device may be improperly installed due to human error.	BI staff have completed client transitions of similar size and scope on multiple occasions, and we are well trained and experienced with installation and troubleshooting. Part of this training, as well as the training that will be provided to officers, consists of validating a successful installation prior to the client leaving the installation location. If a problem exists, BI staff will have additional equipment and supplies on hand to address the situation.
6. Equipment Unavailability	Vendors that resell monitoring equipment may have access to limited inventory, as these organizations have no direct control over supply chain and equipment prioritization.	As the OEM for all electronic monitoring units proposed herein, BI has the flexibility and capability to manufacture and process units in the quantities required or in larger quantities if the agency's needs expand. Our in-house manufacturing facility can produce high volumes of units in a short time. In addition, the City's dedicated Account Manager will have direct access to equipment and a high level of involvement in inventory management.
7. Operational Changes due to COVID	Staffing shortages and supply chain disruptions may impact a vendor's ability to continue supporting the City's operations during the COVID-19 pandemic.	During the COVID-19 pandemic, BI experience no disruptions to operations—our flexible, single source approach empowers BI to continue to deliver reliable equipment and services.

While the implementation and transition process will always carry an element of risk, BI substantially mitigates this risk with an experienced team that designs and manages customized *Implementation Plans* in accordance with each agency's unique needs and goals. Our ability to help the agency efficiently implement our proposed technology innovations and customized enhancements will significantly increase the value of the agency's electronic monitoring program.

**Project Management for Transition**

*As a Subject Matter Expert (SME) in all BI's equipment, monitoring services, and support infrastructure, Mr. Elliott brings the required knowledge and skills to successfully transition and manage the City's program.*

*The City shall approve the selection and/or replacement of the Contractor(s) Project Manager. The Contractor(s) shall provide their Project Manager's resume for the City to review, including the qualifications of the proposed Project Manager, and explain why this is a good match. The Contractor(s) proposed Project Manager shall have a minimum five (5) years of experience in a Project Manager role in implementing similar projects. A Project Management Professional (PMP), as defined by the Project Management Institute or equivalent organization, is preferred. City is responsible for assigning the City Project Manager.*

Upon City approval, Mr. Jeremy Elliott, BI National Account Support Manager will be the City's assigned Project Manager for contract implementation. Mr. Elliott has extensive experience in implementing and managing large contracts throughout the country, and more than 20 years of experience with BI. With more than a decade of experience training and implementing BI solutions, Mr. Elliott brings the knowledge and experience critical to implement and support the City's program.

Mr. Elliott spent six years as BI's Senior Training Specialist and the Eastern Regional Account Support Representative before promoted to the National Account Support Manager in 2010. In this role, Mr. Elliott

is responsible for program implementations, training, and account support for every BI contract. Specific to the City’s Offender Monitoring Program, Mr. Elliott will be responsible for the overall management of the contract, including implementation, training, equipment transition, account setup and operation, contract support, and City support. Any replacement for Mr. Elliot will receive City approval.

**3.1.4.13. Litigation-Related Testimony**

BI is fully prepared to describe our monitoring equipment and defend our performance in legal proceedings, if requested. Technicians from BI’s engineering department, supervisory personnel from Monitoring Operations, and product management personnel regularly provide testimony. BI understands that testimony may occur via telephone, video conference or in person, depending on the needs of the agency. BI agrees to provide testimony in the form of a written affidavit, telephone and videoconferencing format, or in person if subpoenaed. Additional compliance with RFP requirements is summarized by the following table.

Table 31. Compliance with Litigation Related Testimony Requirements		
#	Requirement	Comply
a.	If requested as a part of litigation, the awarded Contractor shall be required to provide expert testimony regarding its monitoring equipment and system specifications, as well as the accuracy and reliability of the reports/results. The awarded Contractor shall make available qualified personnel to provide expert testimony as requested or subpoenaed.	✓
b.	The awarded Contractor shall ensure that its personnel responds timely and/or appears as stipulated in the request and/or subpoenas.	✓
c.	The awarded Contractor shall supply in format all requested information for investigative or judicial purposes. The format shall include, but not be limited to, CDs, screen shots, supporting narrative, etc.	✓
d.	All costs for Litigation Related Testimony shall be included in the prices offered; however, reimbursement can be sought when available.	✓

**3.1.4.14. Advertising/Promotions**

*The Contractor(s) shall not issue news releases, advertisements or news articles, or any other information of any kind related to its contract with the City, including but not limited to statistical data, offender information or programs, without prior written approval from the City.*

As BI is committed to ensuring public safety through the administration of proven electronic monitoring technology, we never publish or release to news media any information or statistics relating to monitoring programs with which we contract, or to the individual participants in these programs. Should there be a need to publish any non-sensitive monitoring information, BI will seek prior written approval from the City.

**3.1.4.15. Provision of Database and Contract End**

*If requested by the City, upon the expiration date of the contract resulting from this RFP (or termination by any other method), the Contractor(s) shall provide the most up-to-date copy of the system’s database, including all historical data, the data dictionary, file layouts, code tables, code values, data relationships, keys, and indices, etc., in a format to be determined by the Contract Manager. In addition, the Contractor(s) shall provide a read-only licenses for the City’s use for a period of seven (7) years. If any data stored is in a proprietary format, Contractor(s) shall provide a means for translating it to a standard in the public domain.*

BI agrees to provide the most up-to-date copy of the system’s database, including all historical data, the data dictionary, file layouts, code tables, code values, data relationships, keys, and indices, etc., in a format to be determined by the Contract Manager. In addition, BI will provide read-only licenses for the City’s use for a period of seven years. If any data stored is in a proprietary format, the BI will provide a means for translating data to a standard in the public domain.

### 3.1.5. Product Specifications

#### 3.1.5.1. Active, Passive and/or Hybrid (GPS) Category

The City and Participating Public Agencies oversee clients that require intensive supervision with Active, Passive, and Hybrid GPS technologies. The population placed on monitoring technology is diverse and may include clients from separate and unique correctional agencies.

To monitor this diverse population, the City requires reliable and flexible GPS technology that incorporates use of an RF beacon. As one of the newest GPS trackers on the market, this section of our proposal describes the LOC8 XT device. However, our solution also includes our legacy GPS tracking solutions, the LOC8 and ExacuTrack One, to provide the City and OMNIA Partners with a complete continuum of GPS technologies. We confirm that all our solutions comply with RFP requirements; however, as the LOC8 XT is the future of GPS tracking, our response to RFP specifications focuses on this newer technology. BI's proposed solution is described by the following graphic.



**GPS Tracking**—*Dependable and easy to use GPS equipment provides the City with reliable location information, multiple communication technologies, and innovative solutions for client monitoring.*

The LOC8 XT is a small, lightweight GPS device used to track client movements 24/7 using GPS, RF, Wi-Fi, and LTE cellular technologies to pinpoint the location of the monitored client. As the only device on the market that combines all of these technologies with proximity tamper detection, the LOC8 XT is one of the most advanced tracking devices available. The LOC8 XT battery is completely sealed inside the device. To recharge the battery, the client places an untethered charger on the LOC8 XT. The LOC8 XT incorporates a single use, field replaceable, and adjustable strap that securely fits around the client's leg. The device incorporates multiple tamper detection technologies. Other key features of the LOC8 XT include:

- **LTE Connectivity.** BI engineers designed our cellular communication capabilities to support 24/7/365 program operations, and we have proactively prepared LOC8 XT units to operate on LTE cellular connected-devices. To ensure that the agency is sufficiently prepared for the evolution of cellular networks, we build LOC8 XTs to operate on the LTE network. LTE-compatible devices ensure a certain continuity of service as cellular providers transition from CDMA to LTE during the upcoming contract term.
- **Accurately Monitors Client Locations.** To monitor a client's location at all times, the LOC8 XT can use a variety of technologies: GPS satellites, cellular towers, Wi-Fi access points, and RF transmissions. In an open field, the device is accurate to within 5.5 feet 95% of the time. By integrating the additional tracking technologies, the LOC8 XT can generate location points even when GPS signals are obscured.
  - *Location Information on Demand.* Agency personnel can manually and remotely locate ("ping") a LOC8 XT an unlimited amount of times—at no additional charge. Authorized users simply initiate an on-demand location request from within the TotalAccess software.
  - *Pursuit Mode.* This feature allows agency personnel to rapidly track a client's movements in critical situations. Once users enable Pursuit Mode from within TotalAccess, the LOC8 XT

collects a GPS point every 15 seconds and reports to the monitoring computer system every minute to provide continuous, real-time tracking.

- **Detects Tamper Attempts in Near Real-Time.** The LOC8 XT promptly reports tamper events to help facilitate swift agency responses to high-priority situations. The LOC8 XT is equipped with multiple tamper detection sensors—including proximity, case, strap, motion detection, and GPS jamming sensors—to report noncompliant activities to agency personnel in near real time.
- **Communicates with Clients.** The LOC8 XT can communicate pre-defined messages via the waterproof, built-in speaker and/or vibration. Agency personnel use TotalAccess to specify when the system delivers messages, with the ability to send on-demand messages. The client can acknowledge audio and vibration notifications by simply tapping on the device.
- **Extended Battery Life.** The LOC8 XT battery powers the device for more than 60 hours. The battery is completely sealed inside the device. To recharge the battery, the participant places an untethered wireless charger on the LOC8 XT to recharge the internal battery.
  - To recharge the LOC8 XT battery, the client places an external battery charger on the device—the client is not tethered to an outlet. The client simply removes the external battery charger from the docking station and places it on LOC8 XT. It takes up to two hours to fully recharge the internal battery of the LOC8 XT and the battery can last for more than 60 hours. The docking station can also function as a beacon with RF monitoring.
- **Minimal Impact on Client Activities.** With a “cut to fit” strap and a sleek, horizontal design, the LOC8 XT provides a highly secure and customized fit with an ergonomically comfortable feel. Wearing the device does not impede a client’s day-to-day activities. The client can still bathe, exercise, attend school or work, and perform other routine tasks with minimal restriction.
- **Automatic Updates.** The LOC8 XT seamlessly incorporates the most current firmware available with automatic “over the air” updates. Since these updates conveniently and quickly occur in the field—while the client continues to wear the device—agency personnel can streamline inventory management by reducing the need to swap out devices.

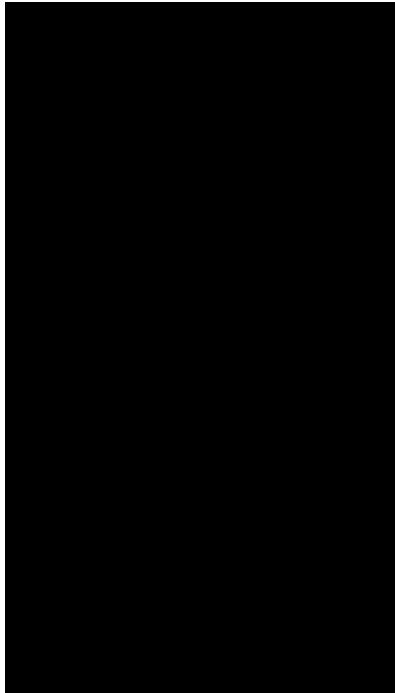
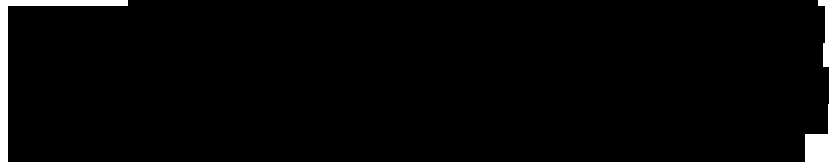


**Figure 51. Secure GPS Tracking**  
To the best of our knowledge, no other tracker on the market provides proximity tamper technology.

In addition to the LOC8 XT, BI’s GPS offering includes our legacy LOC8 and ExacuTrack One. We confirm that these additional solutions meet all RFP requirements. As the LOC8 XT is the future of GPS tracking, our response to specifications focuses on the LOC8 XT solution.

**GPS Tracker:**

Available to the City during the next contract term, BI is excited to provide the agency with the newest addition to our continuum of GPS solutions:



[REDACTED]

### GPS Tracking through Smartphone Technologies

BI's solution includes BI Mobile, our secure smartphone built with a custom operating system. BI Mobile has the capability to provide GPS location points of where the phone is, but is not a replacement for traditional GPS tracking. GPS points generated by a smartphone confirm the location of the phone, but this does not guarantee that the client and phone are in the same place. Traditional GPS tracking devices incorporate numerous tamper technologies to ensure that the client is wearing the tracked device; these critical, secured technologies are simply unavailable through smartphone tracking.

BI recommends using smartphone technologies in conjunction with another tracking device for higher risk clients where true GPS tracking is necessary to support public safety.

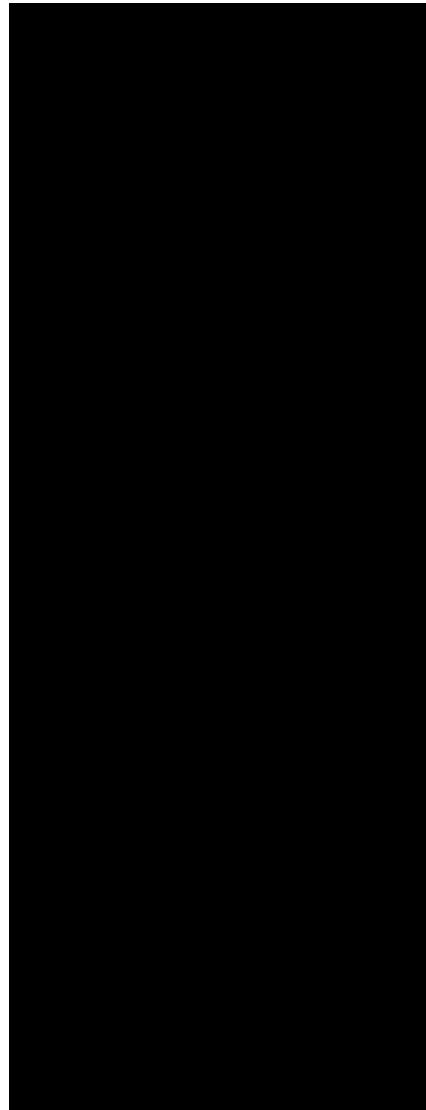
### Experience with GPS Tracking

In 1996, BI began researching and testing GPS trackers for community supervision programs. Over the last 25 years, we have introduced nine different GPS technologies and currently have more than [REDACTED] active GPS devices monitoring individuals across the United States. Since then, BI has developed and released four additional GPS devices, improving the product and advancing the capabilities for the agencies we serve.

Released in 2015, the LOC8 was the first device to include four location detection technologies: GPS, RF, Wi-Fi, and Cellular in one device. The innovative battery design of the LOC8 allowed participants to carry an extra battery to quickly recharge their device. The LOC8 was the first and only known GPS device to combine these technologies with proximity tamper detection.

To provide agencies with additional GPS solutions, BI released the LOC8 XT in 2019. The LOC8 XT built on the success of the LOC8 and included a completely internal battery, which provides more than 60 hours of power. To recharge the battery, the client places an untethered charger on the LOC8 XT for up to two hours. The enhancements made in tracking, security, communications, and battery life to our newest GPS device makes the LOC8 XT one of the most advanced units available in the marketplace.

[REDACTED]



**Figure 53. History of GPS Experience**

BI has been researching and implementing GPS technology for more than 20 years.

Other key metrics that support BI’s ability to provide the agency with GPS technology include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

*a. Device shall be waterproof to at least fifteen (15) feet, durable, shock-resistant, washable and shall comply with FCC regulations.*

The LOC8 XT is made of hypoallergenic materials and are proven to function reliably under normal atmospheric and environmental conditions. BI’s GPS trackers are waterproof up to 15 feet; durable; and shock, vibration, and moisture resistant.

BI designed and manufactured by BI, the LOC8 XT allows for repeated proper sanitization. After removing the device from the client’s ankle, we recommend that City personnel wipe the device with a soft cloth—using commercially available Lysol® or Sporidicin® as a disinfectant if needed. Staff can also clean the BI GPS devices in a standard dishwasher, on the light cycle with no detergent.

All of BI’s proposed equipment is FCC certified. The following table provides FCC certification numbers. See also *Appendix D—FCC Certificates*.

Table 32. GPS FCC Certification		
Monitoring Type	BI Device	FCC Certification
GPS	BI LOC8 and LOC8 XT	CSQ-LC800A
	BI LOC8 Beacon	TLZ-CU288
	BI LOC8 XT Beacon	TLZ-CU-300
	BI ExacuTrack One	TS5-6055M-ET300
	BI ExacuTrack One Beacon	TS5-EB300

*b. The unit shall have tamper detection utilizing electronic and/or fiber optic mechanisms. Once the unit detects a strap tamper violation, it shall send a unique tamper signal to the central host system to alert staff of a violation.*

BI has designed our GPS strap tamper detection with the goal of eliminating false tampers. We understand that detecting and reporting attempts to damage or remove the device are critical to the City’s operation. Accordingly, the LOC8 XT promptly send the monitoring computer system a “Tracker Proximity Tamper” message if the device loses contact with the client’s ankle and a “Tracker Strap Tamper” message if the client cuts, stretches, removes, or disassembles the fiber optic strap. These alerts contain event specific data including the date, time and location the tamper occurred.

In addition, the BI GPS devices promptly report no motion events and case tampers to the monitoring system.



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*c. Device straps should be replaceable in the field and require minimal training for City staff.*

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The LOC8 XT attaches around the client’s ankle with a field-replaceable strap. With minimal training and tools, City personnel can easily replace any strap of a BI GPS device in the field.

*d. The unit shall include motion detection.*

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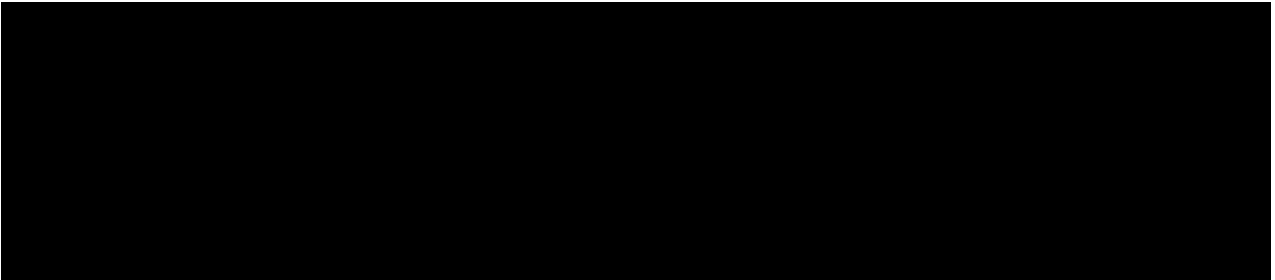
Internal motion sensors detect when the LOC8 XT has been motionless for a specified amount of time—as well as when the device begins moving again. BI GPS devices generate a “No Motion” event to indicate that the client may have removed the device from their ankle. All BI GPS devices generate a “Tracker Moving” event when the device resumes motion.

*e. City staff shall be able to communicate with the offender through a minimum of one (1) way communication. The contractor’s software shall provide City staff the ability to send messages on command.*

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Using BI’s TotalAccess software, City personnel can configure the GPS trackers to notify the client of critical events as follows:

- Play an audio message in response to an on-demand request from City personnel
- English and Spanish audio notifications
- Automatically play an audio message when a specified zone event occurs
- Emit a unique vibration pattern to notify the client of various events (LOC8 XT and LOC8 only)
  - Ability to require clients to acknowledge messages by tapping the case
- LED display the GPS status, battery status, and beacon range status
- Waterproof speaker protected by a tamper-evident back-plate
- Volume can be adjusted or turned off in TotalAccess



In addition, officers have the ability to easily communicate, on-demand and immediately, with clients via SmartLINK messaging features. This capability is a component of SmartLINK Connect, which is available to all individuals monitored by BI equipment at no additional charge.

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<sup>2</sup> National Institute of Justice Offender Tracking Systems, Offender Tracking Systems NIJ standard 1004.00; July 2016, Section 6.6.4.2.



*f. The unit shall provide a feature for the offender to acknowledge the one (1) way communication.*

To help foster communication between the monitoring computer system and the client, the client can easily acknowledge their receipt of a notification by tapping the LOC8 XT. This acknowledgment is timestamped and recorded in TotalAccess for officers to verify message receipt.

*g. The unit shall be configurable to collect location data in Active, Hybrid, and Passive modes without making any adjustments to the unit hardware.*

The LOC8 XT is a highly configurable device that allows City personnel to track client locations and movements in the community in near real-time at the desired level of intensity, including active, passive, and hybrid monitoring options. In accordance with the selected service plan, the device can be configured to collect a date- and time-stamped GPS points every minute—and as frequently as every 15 seconds. In addition, BI GPS devices can be configured to report its collected data to the monitoring computer system every 30 minutes—with more immediate reporting when violations occur.



**Figure 54. GPS Tracking Technology**  
The LOC8 XT uses a combination of advanced technologies, including Wi-Fi and cellular tracking, to monitor client compliance with specific supervision terms.

City personnel can select the desired service plan at any time using the TotalAccess software—without the need to physically interact with the device.

*h. The unit shall be capable of being attached to the offender so that efforts to tamper with or remove the transmitter are obvious to visual inspection.*

The LOC8 XT securely attaches around the client’s ankle with a durable strap that includes fiber optics for tamper detection. The fiber optic strap is reinforced for strength to help prevent stretching once installed. If the client tampers with or removes either device, physical evidence should be apparent upon visual inspection. BI developed the LOC8 XT with specialized plastics and other materials that readily show attempts to open or tamper with the device.

Our proposed devices include several other layers of tamper detection, **exceeding** the City’s specifications. Tamper detection technologies include:

- **Fiber Optic Strap.** A fiber optic strap secures the device to the client’s ankle. If the fiber optic circuitry within the strap is interrupted—for example, the client cuts, stretches, removes, and/or disassembles the strap—the system generates a “Tracker Strap Tamper” message.
- **Motion Detection.** Internal motion sensors detect when the device has been motionless for a specified amount of time—as well as when the device begins moving again. The system generates a “No Motion” event to indicate that the client may have removed the device from their ankle.
- **Case Tamper.** An internal photo-optic sensor detects client attempts to open the device case, and the system generates a corresponding “Tracker Case Tamper” message.
- **Proximity Tamper.** The LOC8 XT incorporates proximity sensors that monitor the distance between the device and the client. If the LOC8 XT loses its contact with the client’s ankle, the system generates a “Tracker Proximity Tamper” message.

*i. The transmitter shall emit a signal at a frequency which is not commercially interruptible at least once every thirty (30) seconds.*

The LOC8 XT constantly receives signals from GPS satellites—without requiring cellular service—to obtain accurate location fixes and continuously record client movements.

In addition, all BI GPS devices have an optional RF curfew-monitoring beacon. For the LOC8 XT, we offer a model of the battery charger that incorporates an RF beacon. Similar to traditional curfew monitoring technologies, when the GPS tracker is paired with a beacon, the City can determine the presence or

absence of the client from a specific location using noncommercial RF signals. The beacon continuously transmits RF signals at random intervals—approximately every 30 seconds—on noncommercial frequencies.

- j. The unit shall have batteries which are easily charged by offender or shall plug into standard residential power sources. Charging system shall be lightweight and accommodate 110V power supplies. Charging system shall include indication whether the GPS tracking unit is charging or has a full charge. Charging system shall allow for a secure connection to the bracelet without undue risk to the offender.*

**LOC8 XT Battery Charging.** The LOC8 XT is powered by a non-removable internal battery. The internal battery can power the LOC8 XT for more than 60 hours. To recharge this battery, the client simply attaches a wireless charger to the ankle-worn device. The wireless charger is compatible with standard power outlets with power supply voltages of 110V. This charging solution allows the client to move without being tethered to a wall outlet, preventing potential device damage associated with devices plugged directly into an outlet. The LOC8 XT can be charged in two hours or less, and the device has a minimum 365 recharge cycle capability. The LOC8 XT battery can continuously power the device for more than 60 hours on a single charge. BI will address battery life capabilities with agency personnel during training sessions.

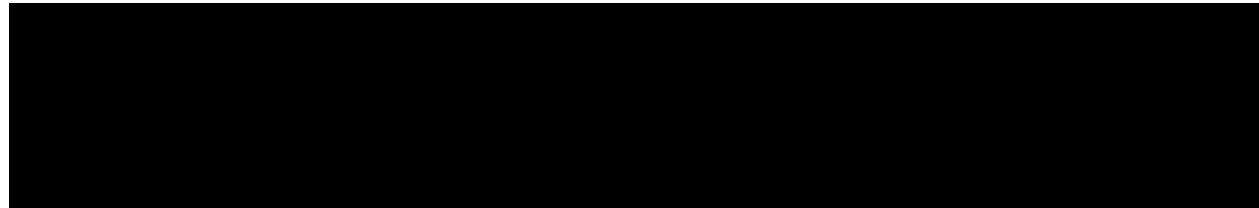


**Figure 55. LOC8 XT Charging**  
The LOC8 XT is charged by a wireless charger, allowing clients to easily maintain a charged device.

BI confirms that our other GPS solutions, including the LOC8 and ExacuTrack One also comply with this specification.

- k. The unit shall not unduly restrict the offender's day to day activities.*

Wearing a BI GPS device does not unduly affect the client's day-to-day activities—the client can still bathe, exercise, work, and perform other routine tasks. With the most compact design of any GPS device in the industry, the LOC8 XT continually delivers robust location tracking in a minimally restrictive manner.



- l. At a minimum, the unit shall detect, record, and alert City staff for the following events: low battery, battery charging, lost GPS coverage, zone violation, curfew violation, communication loss, and equipment tamper.*

BI understands that communication of critical events is crucial to accurately monitoring clients in the community. Accordingly, the LOC8 XT will generate key messages in response to the events identified in the following table.

Table 33. GPS—Communication of Critical Events		
Event Type	Tracker-Generated Message	Message Description
[Redacted Table Content]		

**Table 33. GPS—Communication of Critical Events**

Event Type	Tracker-Generated Message	Message Description

*m. Transmitter straps shall be adjustable to fit any size offender. Straps of multiple sizes are encouraged.*

The LOC8 XT straps have a “cut to fit” design to ensure secure sizing and attachment to the unique body sizes of various clients. Since the LOC8 XT strap is adjustable in length, City personnel can streamline inventory management by eliminating the need to maintain straps in several sizes.

The straps are made of hypoallergenic synthetic rubber and do not contain any metal or steel.

### 3.1.5.2. Radio Frequency Category

RF monitoring is a proven tool that allows clients to live and work in the community while still receiving rehabilitative programming services and complying with mandated terms of supervision. While RF curfew monitoring can be an extremely effective tool to facilitate client compliance with release conditions, it is important that the technology be reliable and accurately report program data. Additional needs associated with RF monitoring include:

- Easy to Use Technology.** Any electronic monitoring device that is a burden to use will not be an effective tool for supervision. The City requires an RF curfew monitoring technology that is not only easy for officers to set up and use, but also requires little or no interaction from the client.
- Flexible Scheduling Capabilities.** Many clients placed on electronic monitoring have sporadic schedules that change from day-to-day. To ensure compliance while accommodating complex client schedules, the City will continue to benefit from our curfew monitoring solution that can accommodate daily changes to the routines of those monitored.
- Dependable Tamper Detection.** When using an electronic monitoring technology, it is always important that the City be notified of any attempt to tamper with the device. The City requires an RF monitoring solution that incorporates multiple tamper detection technologies and reliably generates alerts to any tamper attempt.

**Established Provider**

*BI developed the first RF solution for the criminal justice system in 1985. In 44 years of monitoring offenders, BI has reliably monitored hundreds of thousands of offenders*

BI's proposed RF solution, designed to meet these needs, is summarized below.




**Radio Frequency Device (Including CAM RF Features)**

**BI HomeGuard 20|20**

**BI HomeGuard 200/206**

**BI GroupGuard**



**BI HomeGuard**—Accurate curfew monitoring in any environment and for any population.

The City will be able to use the HomeGuard 20|20, HomeGuard 206, HomeGuard 200, or GroupGuard to monitor clients in any environment. BI's provision of four RF devices allows the City to assign the appropriate device for each client. For clients that do not have a landline connection, or in situations where wireless service is preferred, the HomeGuard 206 and the HomeGuard 20|20 can communicate via cellular signal. The HomeGuard 20|20 operates on the LTE Cat M1 network. In areas of poor cellular coverage, the HomeGuard 200 communicates compliance via a standard telephone line. If several clients live in the same residence, the GroupGuard, a variation of the HomeGuard receiver, can monitor multiple clients from one receiver.

In addition, our solution includes the Drive-BI which allows officers to remotely confirm client locations while at work or other scheduled appointments. This product is compatible with transmitters for the HomeGuard 206, HomeGuard 200, or GroupGuard.

BI HomeGuard 20|20 offers significant reliability and flexibility to accommodate a variety of client monitoring curfew requirements. Agency staff can customize range settings, leave window configurations,

and schedules in accordance with each client’s risk level. Additional key features and benefits of BI’s proposed RF solution include:

- **Receiver Location Detection.** The HomeGuard 20|20 receiver will collect a GPS point every minute while in motion and up to 10 minutes after becoming motionless, and if GPS is unavailable, the receiver will use Wi-Fi access points to record a location point. This unique capability will alert City personnel if the client attempts to relocate the device to an alternate location and includes detailed location information, regardless of GPS coverage.
- **Communicating with Clients.** The HomeGuard 20|20 receiver is equipped with a 3.5-inch color touch LCD receiver screen that displays text messages from officers. Authorized users can send the HomeGuard 20|20 receiver text messages for client review through TotalAccess and TotalAccess Mobile. When the monitored client comes within range of the HomeGuard 20|20 receiver, the unit will display the message. This supports confidential client and officer communications, with an auditable record of all messages retained in TotalAccess.
- **Self-Diagnostic Features.** The HomeGuard 20|20 receiver automatically detects equipment and activity events to confirm proper operation. These self-diagnostic features generate messages for critical events, such as low battery, loss of power connection, loss of telephone connection, loss of cellular signal, and tamper events. If any system error occurs or if the equipment encounters abnormal operating conditions, the receiver records and reports this diagnostic information to the central monitoring computer.
- **LTE Cellular Coverage.** To ensure that the agency is sufficiently prepared for the evolution of cellular networks, we developed the HomeGuard 20|20 to operate on the LTE network. This ensures a certain continuity of service and minimization of cellular signal loss as cellular providers begin transitioning from CDMA to LTE.
- **Remote Device Upgrades.** The HomeGuard 20|20 receiver remotely receives firmware updates over the air, eliminating the risks associated with having outdated equipment.



**Figure 56. BI HomeGuard 20|20**  
The HomeGuard 20|20 receiver functions on the LTE network, providing a strategic advantage to City: the most current and reliable cellular capabilities.

As the remainder of this section demonstrates, BI’s RF solutions meet and often exceed the City’s and Participating Public Agencies’ requirements. The HomeGuard 20|20 is the latest, most innovative RF solution offered by BI. Our response to RFP specifications details the HomeGuard 20|20 solution. However, BI confirms that the HomeGuard 200, HomeGuard 206, GroupGuard, and Drive-BI comply with all RFP requirements.

### RF CAM Features: BI TAD

In addition to the HomeGuard 20|20, BI’s proposed solution for the City includes RF monitoring via our TAD solution. The BI TAD offers objective, reliable alcohol monitoring and RF curfew monitoring. The TAD automatically and continuously emits RF signals that are detected by the HomeBase. The HomeBase detects the client’s presence in or absence from the home by these signals and contacts TotalAccess whenever the client enters or leaves the home. TotalAccess contains the parameters for each individual case, including the client’s schedule. BI’s solution compares the messages sent by the HomeBase to the client’s schedule and alerts agency staff to any violations.

In the near future, the TAD will interoperate with the HomeGuard 20|20 receiver to support LTE cellular connectivity as the CDMA network becomes discontinued. Please see *Proposal Section 3.1.5.5—Transdermal Alcohol Monitoring* on page 148 for detailed information on TAD.

Experience with RF Curfew Monitoring

BI has been researching and implementing RF technology for more than 30 years, and we began providing a RF solution in 1985.

. Many of these agencies have contracted with BI since the inception of RF monitoring. We take great pride in the durability and reliability of our products, and these longstanding BI customers are proof of our ability to support ongoing contracts with dependable curfew monitoring products.

Other key metrics that support BI’s ability to provide the City of Mesa and Participating Public Agencies with RF technology include:

- List of metrics with redacted content.

a. Transmitter: The Contractor(s) shall propose a transmitter, which shall be comfortably worn on the ankle or wrist of the participant and shall meet the following requirements:

All HomeGuard transmitters are comfortably—yet securely—installed and worn around the client’s ankle. The HomeGuard 20|20 pairs with the HomeGuard 20|20 transmitter. The HomeGuard 206 and HomeGuard 200 systems pair with the reliable HomeGuard transmitter. BI designed to HomeGuard 20|20 transmitter to be worn on the ankle. As we understand that the agency may want to install the device on the wrist, this is certainly possible. However, multiple device complications are introduced when the device is worn on the wrist.

for clients who are unable to wear devices on the ankle to mitigate potential nuisance or false alerts associated with the proximity tamper.

i. The device shall be small, lightweight, and not pose a health hazard nor unduly restrict the activities of the participant; and of a size to be worn under normal slacks.

BI designed all HomeGuard transmitter to be worn around the client’s ankle and to not interfere with day-to-day activities. The HomeGuard 20|20 transmitter weighs 2.0 ounces, and fits discreetly under normal pant legs. Designed specifically to monitor individuals in community supervision programs, HomeGuard 20|20, transmitters do not pose a safety hazard or restrict physical activities of the client.

ii. The device shall be capable of being securely attached to the participant’s ankle or wrist and report any and all efforts to tamper with or remove the device.

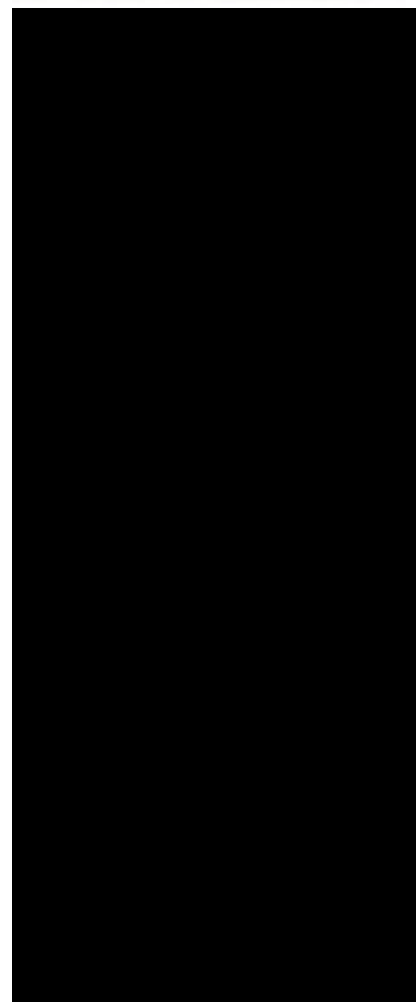


Figure 57. History of RF Experience BI’s first supervision technology used RF monitoring; we are the original developers of implementing this technology in supervision programs.

We designed all HomeGuard transmitters to attach around the client’s ankle securely, be highly durable, and accurately detect client attempts to damage the monitoring equipment. Key aspects of our transmitter tamper detection include:

- I [REDACTED]
- II [REDACTED]
- III [REDACTED]



**Figure 58. Physical Evidence of Tamper**

City personnel will be able to determine if an offender has tampered with the HomeGuard Transmitter upon visual inspection.

As we understand that the City may want to install the device on the wrist, this is certainly possible. However, multiple device complications are introduced when the device is worn on the wrist, as detailed in the response to the specification above. [REDACTED] smartphone monitoring for clients who are unable to wear devices on the ankle to mitigate potential nuisance or false alerts associated with the proximity tamper. [REDACTED] and for SmartLINK please refer to page 169.

*iii. Transmitter straps shall be adjustable to fit any size offender. Straps of multiple sizes are encouraged.*

All HomeGuard transmitters attach to the client with an adjustable, field-replaceable strap to ensure a comfortable fit on any client. We provide a 13-inch adjustable strap with each transmitter and 19-inch and 25-inch adjustable straps are available to City personnel upon request.

*iv. The device shall be shock resistant, water and moisture proof up to at least fifteen (15) feet, and function reliably under normal atmosphere and human environment conditions. Device shall also conform to all FCC regulations.*

All HomeGuard transmitters are shock resistant, waterproof to 50 feet, and moisture-proof. During the development and design of the HomeGuard transmitters, internal personnel and third-party companies performed rigorous durability testing. This Highly Accelerated Life Testing (HALT) exposed the transmitters to extremes in environment, shock, and vibration to ensure accurate functionality under normal atmospheric and human living conditions.

All of BI’s proposed equipment is FCC certified. The following table provides FCC certification numbers. See also *Appendix D—FCC Certificates*.

Table 34. RF Transmitter FCC Certification		
Monitoring Type	BI Device	FCC Certification
Radio Frequency	BI HomeGuard Transmitter	CSQHG200A
	BI HomeGuard 20 20 Transmitter	CSQ-RF2021
	BI GroupGuard Transmitter	GG-2260-M

v. The device shall contain a radio transmitter whose coded radio signal shall be unique to the individual to whom it is attached so as to enable positive confirmation of the presence/absence of the participant within an adjustable range of a minimum of fifty (50) feet of the receiver.

Each BI device has a unique equipment ID number. This ensures that each device is unique to the client to whom the City assigns a transmitter and receiver. The HomeGuard transmitter emits encrypted RF signals that contain its unique ID number. To enable positive confirmation of the presence/absence of the client within the specified range, the HomeGuard receiver will only detect the RF signals of the assigned transmitter that is attached to the client.

The HomeGuard receivers can detect RF signals from the assigned transmitter at 35, 75, or 150 feet, **exceeding** requirements.

vi. The transmitter shall emit a coded radio signal at least once every minute on a continuous basis during the operating life of the battery.

[REDACTED] These features are designed to discourage client attempts to trace, interfere with, or duplicate transmitter signals. Commercially available transmitting products normally found in residential settings do not affect the HomeGuard system.

### HOMEGUARD OPERATIONAL CONSISTENCY

Household equipment that use radio frequencies do not interfere with BI's HomeGuard or GroupGuard equipment



Figure 59. HomeGuard Radio Frequency

BI's line of HomeGuard transmitters operate on a non-commercially used frequency, ensuring that everyday items will not interfere with location monitoring.

vii. The transmitter shall be battery powered and designed for a minimum continuous operating battery life of a minimum of approximately six (6) months.

All HomeGuard transmitters have a continuously operating battery that powers the device for at least one year without the need for battery recharging—**exceeding** RFP requirements. The system generates a "Transmitter Low Battery" message approximately five days before the battery is depleted, providing ample time for replacement. City personnel can easily replace a transmitter battery in the field or in the office.



*b. Receiver: The Contractor(s) shall propose a receiver to be located in the participant's home (conforming to FCC standards and regulations), which shall continuously monitor the participant's transmitter and meets the following requirements:*

All HomeGuard receivers are installed in the client's home and continuously monitors for RF signals from the assigned transmitter worn by the client. The receiver plugs into a standard AC power outlet with a UL approved cord of sufficient length, for accommodation of typical household environments. The power and phone inputs on the receiver incorporate built-in gas discharge tubes and internal fuses for electrical surge protection. The table below details all HomeGuard receiver FCC certifications. Also see *Appendix D—FCC Certificates*.

**Table 35. RF Receiver FCC Certification**

Monitoring Type	BI Device	FCC Certification
Radio Frequency	BI HomeGuard 200 Receiver (landline)	GN7USA-27502-MD-E
	BI HomeGuard 206 Receiver (cellular)	GN7USA-27502-MD-E
	BI HomeGuard 20 20 Receiver	XPY2AGQN4NNN
	BI GroupGuard Receiver (landline)	GG-3500-M
	BI GroupGuard Receiver (cellular)	GG-3501-M

*i. The receiver shall be powered by 110-volt A.C. power with internal auto- recharging battery capable of supplying back up power for a period of more than twenty-four (24) hours. The electrical wire connecting to A.C. power shall be UL approved, and of sufficient length to adequately connect to the household AC power.*

All HomeGuard receivers plug into a standard 110 Volt AC power and connects to the commercial power in the client's home. The receivers have power and phone inputs that incorporate built-in gas discharge tubes and internal fuses for electrical surge protection. If the receivers lose connection to commercial power, the internal backup battery will engage automatically. The receiver also sends a "Power Loss" message to the central monitoring computer.

The receivers also contain an internal backup battery that can continuously power all normal receiver functions for at least 48 hours in the event of AC power loss, **exceeding** RFP requirements. When the receiver reconnects to the power source, the backup battery automatically recharges.

*ii. The receiver shall be capable of full communications to the Contractor(s) central computer system by connection to the participant's telephone company wall outlet using a standard RJ-11-C modular telephone connector.*

The HomeGuard 200 receiver can communicate over any brand or make of landline telephone—including rotary, pulse, or touch-tone phones. City personnel simply plug the receiver into a standard landline jack using BI-supplied cords.

*iii. The unit shall be directly connected to the offender's home phone line, or through an optional Cellular Receiver to report events and alerts to the Contractor(s) central monitoring computer.*

The HomeGuard receiver is available in three models to provide accurate curfew monitoring in all environments. The HomeGuard 200 receiver communicates with our monitoring computer system via landline telephone connection, and the HomeGuard 206 receiver include both cellular and landline telephone communication capabilities. The HomeGuard 20|20 operates on the LTE Cat M1 network.

*iv. The participant's receiver shall accept and process radio signals only from the unique signal of that same participant's transmitter.*

After initial setup, once the specified transmitter and receiver are paired together within TotalAccess, the home-based receiver will only recognize and detect signals from the paired transmitter worn by the client.

*v. The receiver shall detect attempts to simulate or duplicate the participant's transmitter radio signal by a foreign device and immediately report detection of such an occurrence to the central computer.*

Our HomeGuard RF solutions provide reliable landline and cellular-based curfew monitoring. BI's engineers incorporated several features into the HomeGuard system specifically to increase accuracy and hinder client attempts to simulate or duplicate transmitter signals. These features include multiple tamper detection technologies, unique equipment IDs, random transmission intervals, a coding encryption scheme, and use of a noncommercial frequency to prevent signal duplication.

*vi. The receiver shall contain an internal clock and sufficient memory to store a time stamp of all events and activities, that happen per day, that shall occur for at least the next five (5) days, in the event the communications link with the central computer system is disrupted. The receiver shall be capable of operating without AC power for a minimum of twenty-four (24) hours and events can be stored for up to a minimum of 10 (ten) days.*

The HomeGuard receivers incorporate a non-volatile memory that can securely store up to 4,800 date- and time-stamped messages in the event that the receiver is unable to communicate with the monitoring computer system. This is approximately one week of data. Stored messages are saved even in the event of power loss or complete battery depletion—remaining in the receiver memory indefinitely until communication with the monitoring computer is restored or until the memory becomes completely full. If AC power is lost, the receiver backup battery can continuously operate the receiver as normal for at least 48 hours, **exceeding** RFP requirements.

*vii. The receiver shall detect, and store with time stamp the following events, at a minimum, and promptly communicate them to the central computer.*

The HomeGuard equipment date and time stamps all events upon occurrence. The receiver promptly communicates the information provided in the table below via landline or cellular connection, and the monitoring computer system records a date and time stamp when it receives information from the field equipment.

**Table 36. HomeGuard Receiver Generated Event**

#	RFP Required Event	HomeGuard Generated Notification
[Redacted Content]		

**Table 36. HomeGuard Receiver Generated Event**

#	RFP Required Event	HomeGuard Generated Notification
[Redacted Content]		

*viii. The receiver shall be capable of seizing a telephone line when not in use. It shall not seize a line in use, but instead, shall deliver a courtesy signal as a yield warning to any person using the line. It shall then seize the line after the person hangs up.*

If the landline phone in the client’s residence is being used when the HomeGuard 200 receiver attempts to contact the monitoring computer system, the receiver interrupts the call with a series of audible tones that become louder and more frequent. We designed this progressive annoyance to alert the caller that the receiver needs the phone line to communicate with the monitoring system. The progressive annoyance will continue until the phone line becomes available for receiver use.

*ix. The receiver shall not pose a health or safety hazard to the participant or other family members and shall function reliably under normal household environmental and atmospheric conditions.*

HomeGuard receivers do not pose a health or safety hazard and are proven to function reliably within normal living environments and atmospheric conditions. We designed the receiver specifically for installation and use within typical home environments, and minimal interaction is required between the receiver, the client, and any other persons present within the residence.

*x. Electrical surge protectors shall be built-in or provided for connecting power and communication lines.*

As the OEM of our proposed HomeGuard solution, BI engineers designed the power and telephone inputs on the HomeGuard receiver with gas discharge tubes and internal fuses to help protect against power and electrical surges.

*xi. The receiver shall be capable of being installed and made operational by an officer or offender following the written instructions provided by the Contractor(s)/officer.*

Authorized City personnel can easily install the HomeGuard receiver in less than five minutes:

- **HomeGuard 200 Installation.** The individual simply connects the receiver to a commercial power outlet, plugs the receiver into a standard landline jack using BI-supplied cords, and keys the receiver to the “ON” position.
- **HomeGuard 206 Installation.** The HomeGuard 206 receiver includes landline telephone and cellular communication capabilities. If only cellular communication will be used, the individual simply connects the receiver to the power outlet and keys the receiver to the “ON” position.
- **HomeGuard 20|20 Installation.** The HomeGuard 20|20 receiver includes landline telephone and cellular communication capabilities. If only cellular communication will be used, the individual simply connects the receiver to the power outlet and keys the receiver to the “ON” position. If a landline connection will be used, the individual simply connects the receiver to a commercial power outlet, plugs the receiver into a standard landline jack using BI-supplied cords, and keys the receiver to the “ON” position. In addition, the receiver incorporates GPS technology, allowing officers the ability to confidently allow clients to take the device home and plug in the device.

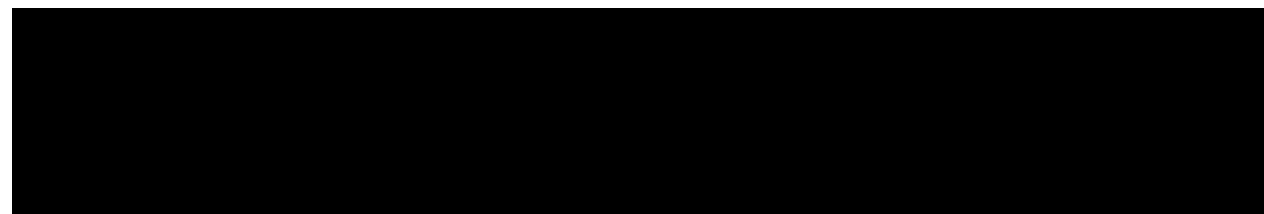
BI provides written instructions in both English and Spanish to further support successful installations.

### 3.1.5.3. Video/Voice Tracking/Verification and Message Reporting System Category

Agencies charged with the responsibility of supervising individuals in the community often have diverse caseloads with varying risk levels and needs. Many supervision programs require a suite of monitoring tools, including solutions that do not require individuals to wear electronic monitoring equipment. Often, lower risk or first-time clients require supervision solutions that are less restrictive and simply verify participant compliance with monitoring program mandates.



To meet these needs, our solution includes BI VoiceID, an automated check-in solution. VoiceID closely aligns with the agency’s specifications with *RFP Section Scope of Work 5.3, Item B*, and we describe VoiceID in detail within this section. In addition, the BI SmartLINK application offers remote verification and message reporting capabilities that align with the agency’s stated needs. SmartLINK is detailed on page 169. Lastly, we believe that our Integrated Voice Response (IVR) check-in solution provides an additional alternative solution that can meet the City’s objectives. Our IVR solution is described in detail on page 160 of this proposal.



BI VoiceID is a simple, automated inbound and outbound calling solution that enables authorized users to verify participant identity. Through TotalAccess, City staff can enter schedules, listen to participant responses, and receive automated alert notifications of missed calls or noncompliant activities. Key features associated with VoiceID include:

- **Innovative Voice Verification Technology.** BI VoiceID verifies identity by comparing the participant’s vocal patterns to the unique voiceprint enrollment. Each check-in call requires participants to repeat random number sequences, which makes it impossible for a participant to pre-record their voice for playback.
- **Single Management Platform.** VoiceID, like all of BI’s technology, is integrated with TotalAccess. This comprehensive software platform enables officers to increase or decrease monitoring and supervision levels.
- **Automated Call Scheduling.** VoiceID is highly customizable, allowing users to select the frequency of check-in calls for each participant based on individual risk level and circumstances. VoiceID can accommodate fixed or random call schedules and automatically reschedules missed calls.
- **Mass Notification Capabilities.** The City can quickly notify all participants enrolled in VoiceID during an emergency.



**Figure 60. Single Software Platform**  
BI VoiceID is integrated with our TotalAccess monitoring software, providing a single source for all officers to view supervision information.

### Experience with Voice Verification

As BI continued to develop electronic monitoring hardware in the 1990s, we soon realized that additional, alternative technologies had the potential to support supervision programs. Understanding that our public sector partners monitor a variety of population types, BI focused on developing a remote check-in solution.

In 1991, we introduced our first remote check-in solution, BI Profile. By requiring clients to call-in to our monitoring system, officers have additional monitoring data to support supervision and reentry objectives.

Less than ten years after we first introduced BI Profile, our Hardware and Software Engineers leveraged voice verification technologies to support sobriety monitoring. The BI Sobriotor, a handheld breath alcohol monitoring device, uses voice verification to identify the individual submitting the breath test.

As the use of voice verification and check-in technologies became more widely used in the electronic monitoring industry, BI began developing VoicelD, which was originally released in 1999. Over the years, we integrated VoicelD into TotalAccess, providing a single platform to view all clients in an officer's caseload.



**Figure 62. Voice Verification History**  
BI has decades of experience with implementing, improving, and updating voice verification solutions.

#### 3.1.5.3.a. Base Requirements

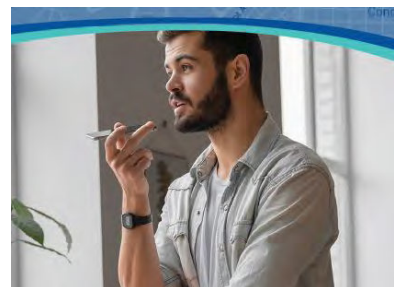
*i. The system shall work by comparing an offender's voice during a verification call to a "voiceprint," or digitized representation of the offender's voice obtained during enrollment.*

BI's VoicelD is an automated system that verifies each client's identity through biometric "voiceprint" authentication, distinguishing among a variety of physiological characteristics of a client's vocal tract. VoicelD uses this approach to compare the voice of the caller to the stored voiceprint obtained by the client during enrollment.

*ii. The system shall allow total voice enrollment, including voiceprint, in less than five (5) minutes.*

Officers can easily enroll clients in BI VoicelD from within TotalAccess in less than five minutes. Before the client can check-in using VoicelD, the system must establish a voiceprint template to compare the client's voice to during future calls. The client should speak at a normal rate and volume and reduce background noise during the enrollment process. The client can be enrolled in less than five minutes by following these steps:

1. Once the client is enrolled in TotalAccess, the officer will navigate to the "Voice Setup" tab. With the client present, the officer will call BI's voiceprint enrollment line, which appears on the screen.



**Figure 63. VoiceID**  
BI VoiceID allows the City to supervise a large participant population through automated outbound or inbound calls that verify the caller's identity.

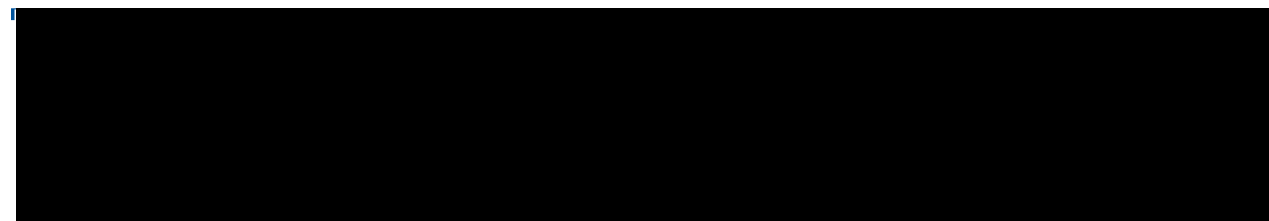
2. Enter the five-digit enrollment code uniquely generated for the client. The system will confirm the name of the client, and language to be used. The officer hands the phone to the client to create a voiceprint template.
3. To create a template the client states their full name and must repeat five digits exactly as stated a number of times until VoiceID has established a voice template.
4. Once VoiceID has established a template, it prompts the client to hand the phone to the officer and the officer must confirm the client has completed the process.

*iii. The system shall have the ability to identify the offender's presence at prescribed locations.*

---

To verify the client's whereabouts VoiceID will call the client at a pre-established phone number. VoiceID verifies location and caller identity through the following steps:

1. The client receives a notification call stating that they must call into the VoiceID system from the approved phone location within five minutes
2. The client calls the VoiceID system within five minutes at the number provided and verifies their identity by repeating five random digits
3. If the client calls after the five-minute window, the client is prompted to leave a message for their officer explaining why they were late after the voice verification stage
4. Calls placed between six and ten minutes of notification are marked "Late"
5. Calls placed after ten minutes are marked "Unexpected"
6. Calls not placed after ten minutes are marked "Missed"



*iv. City staff shall be able to listen to recordings of voice verification calls over the Internet.*

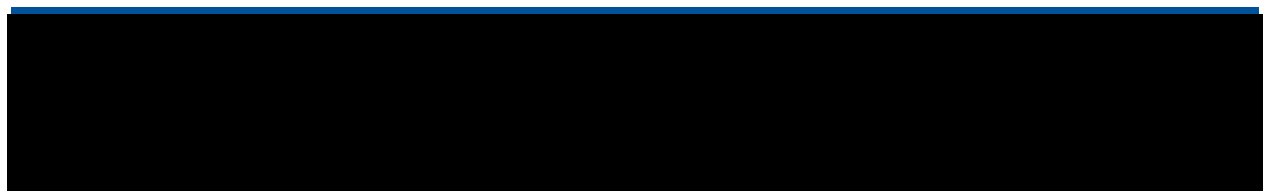
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Authorized City personnel can listen to VoiceID verification calls at any time over the internet by logging into TotalAccess.

*v. The system shall have the ability to place outbound calls and receive inbound calls.*

---

The VoiceID system can both place outbound calls and receive inbound calls, allowing flexibility to meet the varying mandated schedules associated with client monitoring.



*vi. Call schedules and alert notification options shall be customizable on a case-by-case basis.*

---

As a highly flexible solution, authorized users can customize schedules and alert notifications on a case-by-case basis to align with agency-mandated schedules. The following table summarizes these options.

**Table 37. Call Schedules and Alert Notification Options: VoicelD**

Option	Description of Capability
VoicelD Scheduling Options	Fixed Schedules occur on a pre-determined basis. Within TotalAccess, users can designate the frequency of re-occurrence, specify the exact date and time of the call, and add any comments.
	Random Schedules are frequently used by officers to monitor clients required to stay in a location for the majority of the time. After designating the schedule as random in TotalAccess, users can view the specific, randomized schedule through the calendar feature of the software.
Alert Notification Options	As with all BI's solutions, the City can customize the alert notification features of TotalAccess for maximum flexibility and accuracy. Users can configure TotalAccess to email or text alert notifications automatically to any designated contacts; create escalation trees within the software; designate alerts as higher or lower priority; and delay alert notification in alignment with City protocols.

*vii. The system shall have the ability to individually set the number of acceptable failures before an alert is generated.*

BI is currently in the process of developing enhanced VoicelD features that will add new functionality to the system. These enhancements will include the ability for users to adjust:

- The frequency of Check-Ins
- The length of time that the client has as a grace period before the Check-In is considered late or missed

In addition, VoicelD will be able to perform biometric authentication during an automated outbound call to the client. This will eliminate the need for the client to call back in to complete the VoicelD Check-In.

*viii. The system shall have such hardware and software security features as necessary to be tamper resistant.*

There is no hardware associated with the VoicelD solution, so typical tamper resistant features (such as case tamper or strap tamper) do not apply. To discourage an individual other than the monitored client from calling into the system, VoicelD uses biometric voice verification and records the phone number associated with the call for inbound Check-Ins.

*ix. If the system requires the City to manage outbound calling schedules, it shall allow access only by authorized personnel with remote access via the Internet and/or via toll-free dial-in.*

BI anticipates that the City and OMNIA Partners using agencies will enter the frequency and schedule of outbound calling schedules. Authorized users can enter, view, and modify client schedules by logging into TotalAccess or calling BI Monitoring Operations. BI will issue each authorized individual a secure login and password to access the software and a PIN to access live Monitoring Operations support.

*x. If the system makes outbound calls to offender locations, the system shall be able to set the range of minutes between retry calls (after busy signal or no answer) and the maximum number of attempts to verify within a verification call.*

BI's solutions can accommodate outbound calls to client locations, and authorized users can set the range of minutes between retry calls or maximum number of verification call attempts.

*xi. The system shall be able to allow City staff to view and print the summary and analytical reports as needed to alert supervising Officers and/or City staff.*



TotalAccess is equipped with powerful reporting mechanisms that allow authorized users to view summaries and analysis of client compliance activities. With more than 40 predefined reports, users can view information about their entire caseload, from a single interface, regardless of the type of technology used to monitor the client. Similarly, BI software engineers designed several reports specific to VoiceID, as described in the table below.

Table 38. VoiceID Reports	
Report Title	Report Description
Active Cases Exception	Displays the number of open alerts for clients enrolled in VoiceID monitoring. This report includes the client's case number, officer, and enrollment date.
Recent Case Activity	Displays recent VoiceID case activity by agency and date. This report contains information summarized by totals, including: <ul style="list-style-type: none"> <li>Active clients</li> <li>Newly created client profiles</li> <li>Clients that are on hold for enrollment</li> <li>Clients that have been reactivated in the system</li> <li>Clients that have been inactivated in the system</li> </ul> Users can run this report based on data collected in the last 24-hours, 7 days, and 30 days.
VoiceID Case Summary by Agency	Displays totals for VoiceID call alerts, alert status, and failed verify alerts for each client, sorted by officer.
VoiceID Exceptions	Lists VoiceID clients and Yes/No to the following: voiceprint, language, check-in, notification, random, or fixed.

*xii. The system shall be able to record and print the name of the offender and the date and time of the violation.*

TotalAccess records all events and alerts associated with BI's monitoring solutions, as well as the notification processes enacted by the software of BI's Monitoring Specialists. At any time, authorized users can login to TotalAccess or call BI Monitoring Operations to review enrolled clients and the dates and times associated with violations.

*xiii. The system shall demonstrate a high degree of accuracy. The method of validation and percentage of accuracy shall be explained and quantified.*

**Established, Proven Solution**

BI designed VoiceID to minimize the success of an imposter checking in for the client, and alerts are generated when caller identity cannot be verified. VoiceID is designed to detect imposters with 99% accuracy. Approximately 3–5% of initial check-ins result in exceptions that require follow-up analysis; however, after the client has called in successfully several times, the automatic, continuous adaptation typically reduces this rate to below 1%.

**3.1.5.3.b. Message/Day Reporting System**

As detailed in the introduction to this section, BI’s solution includes several message and day reporting system options, including:

- VoiceID for remote, biometric check-ins that verify client location and identity through inbound and outbound calls
  - This solution is detailed within this section
- SmartLINK application that includes a check-in module that biometrically verifies client identity, collects a GPS point, and prompts the client to report any significant life changes or other terms of supervision
  - See *Proposal Section 3.1.5.7—Smartphone Application* on page 169
- IVR through BI Monitoring Operations that provides a call-in number for clients to report status changes supported by live Monitoring Specialists
  - See *Proposal Section 3.1.5.6.a—Automated Check-In* on page 160

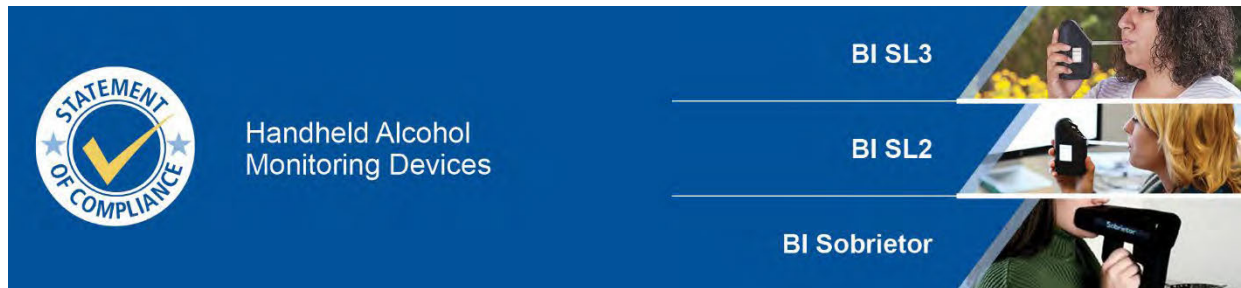
As further demonstrated by the following table, BI is able to meet all message and day reporting system specifications.

Table 39. Message/Day Reporting Requirements				
#	RFP Requirement	BI Continuum of Solutions		
		VoiceID	SmartLINK	IVR
i)	Shall have call in for questions/responses		✓	✓
ii)	Shall have call in format flexibility to include multiple question format based on City needs		✓	✓
iii)	Shall have the ability to call in from predetermined/designated locations	✓	✓	✓
iv)	Shall have the ability to notify City personnel of any change or violation through email, pager or text messaging	✓	✓	✓
v)	Shall allow instant audible voice verification replay sessions via the internet	✓	✓	

### 3.1.5.4. Alcohol Monitoring

Monitoring an individual’s sobriety is a common need in many community supervision programs, and agencies require technologies that provide real-time alcohol notification results without hindering the daily activities of the monitored participants. Legacy breath alcohol solutions require individuals to be at a pre-defined location, usually the home, to submit a breath alcohol test. However, the technological features and capabilities of modern solutions provide mobile, discreet breath alcohol testing capabilities—all in support of monitoring participant sobriety and compliance with supervision terms.

With these needs in mind, BI is pleased to present the City with the newest product in our alcohol monitoring continuum, the BI SL3. This court-validated technology employs innovative features aimed at accurately tracking client alcohol intake and biometrically identify the individual performing the test.



BI continuously strives to advance our products, providing the most reliable and secure breath alcohol solutions continued by our research and development processes. Our newest generation breath alcohol device, the BI SL3, improves upon the mobility and security of the BI SL2 solution. However, our solution includes our legacy breath alcohol solutions, the SL2 and landline-based Sobriotor, to provide the City and OMNIA Partners with a complete continuum of alcohol monitoring technologies. We confirm that all our solutions comply with RFP requirements; however, as the SL3 is the future of breath alcohol monitoring, our response to RFP specifications focuses on this newer technology.

The BI SL3 allows clients to have their sobriety monitored remotely. The high-resolution internal camera uses infrared technology to capture pictures in low-light or dark spaces, and the SL3 is equipped with GPS capabilities to capture the client’s location during the test. Each test report includes a high-resolution client photo, breath alcohol content reading, GPS location, and time and date stamp to ensure accuracy. To support client compliance, the SL3 is equipped with a high-resolution color LCD screen that displays battery status and test directions. Key SL3 features include:

- **Biometric Facial Comparison.** The BI SL3 device takes a high-resolution photograph of the client during each breath alcohol test, and Biometric Facial Comparison technology spatially analyzes each photograph. Biometric Facial Comparison compares the high-resolution test photo to a template of photos stored in TotalAccess to verify client identity.
- **Reminding Clients of Test.** TotalAccess will automatically send a text message to the client’s phone 15 minutes before their next test. In response, the SL3 will send test results to the monitoring computer in near real-time. If the test registers a positive result (.02 or higher), up to six more tests will be administered every 30 minutes or until a negative test result is produced.
  - Should a client not have a cell phone, City officers can print hardcopies of schedules for the client to reference.



**Figure 64. Remote Breath Alcohol Testing**

The SL3 is a court validated alcohol monitoring technology that is able to report test results remotely using LTE cellular technology.

- **Location Verification with Each Test.** During each alcohol test, the SL3 records a GPS point to provide the City with an accurate client location fix. If the SL3 is unable to acquire a GPS fix, it will record a cellular triangulation point. From within TotalAccess, authorized personnel can view a map that visually displays the location recorded at the time of the test.

**BI SL2**

The BI SL2, predecessor to the BI SL3, also allows clients to have their sobriety monitored remotely. The device’s high-resolution internal camera includes a flash to capture pictures in low-light or dark spaces. Multiple acquisition technologies determine the device’s location and capture a GPS point during each test. Each test report includes a high-resolution client photo, breath alcohol content reading, GPS location, and time and date stamp to ensure accuracy. Battery status, messages, and test directions are displayed on the SL2 high-resolution color LCD screen.

**BI Sobriotor**

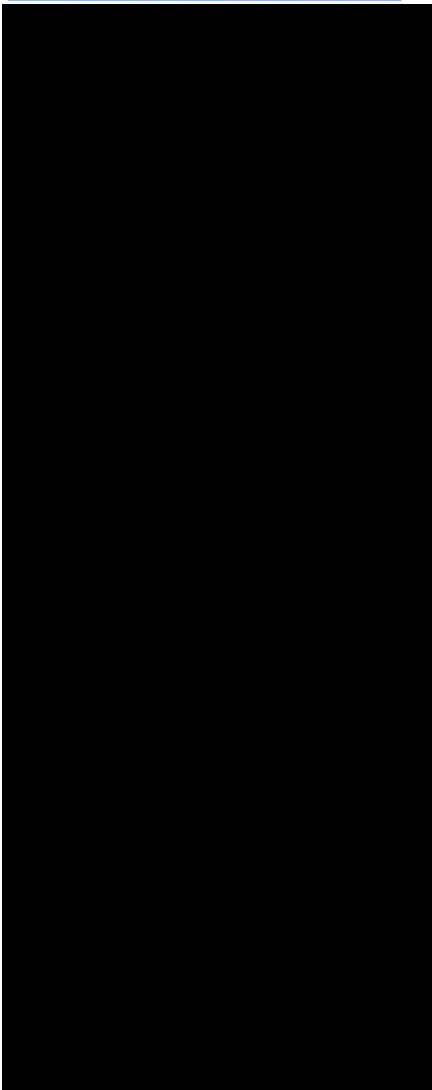
BI Sobriotor is a hand-held, remote alcohol-monitoring device that detects the presence of alcohol through an individual’s deep lung breath sample. Sobriotor incorporates biometric voice verification technology, fuel cell alcohol testing technology, and BI’s proprietary security technology to ensure the client is accurately identified and tested, the unit’s integrity remains intact, and results are reported promptly to TotalAccess. Monitoring with Sobriotor is performed remotely using a telephone connection, allowing daily verification of compliance with alcohol restrictions.

At the beginning of each test, the Sobriotor confirms the client’s identity through biometric voice identification. The test uses audible commands to prompt the client to respond properly to the voice verification.

**Experience with Breath Alcohol Monitoring**

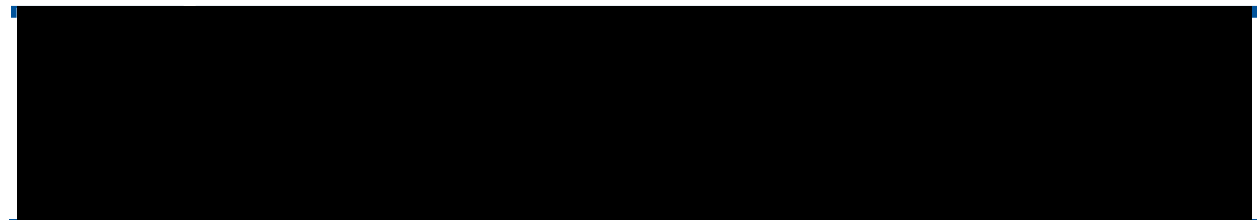
Since 1994, BI has been a leader in the research, development, and implementation of alcohol monitoring devices. Our comprehensive line of alcohol monitoring tools allows agencies to track the sobriety of clients at home and in the community. We currently support thousands of active alcohol monitoring units across the country.

BI released our first alcohol monitoring solution in 1994 with a key objective—to be able to report on a client’s sobriety when returning home on house arrest. With this need in mind, we developed the BI React, our first alcohol breath analyzer that provided alcohol testing of clients required to remain sober as a condition of supervision. The React device used voice verification, fuel cell technology and BI’s proprietary security technology to identify and accurately test clients.



**Figure 65. History of Alcohol Experience**

BI is continually improving our alcohol solutions to provide a continuum of alcohol monitoring technologies; all proposed solutions meet Frye and Daubert evidentiary standards.



Building upon the technology of the React, BI developed the Sobrietor to monitor client alcohol consumption correlated with curfew monitoring mandates. As technology continued to advance, BI acquired the Soberlink SL2 in 2013, adding a highly mobile breath alcohol monitoring solution to our continuum of products.

Originally created to monitor commercial airline pilots and other professions where sobriety is mandated, the SL2 was designed to submit test results from any location. After BI acquired the product and became the equipment manufacturer, BI engineers implemented several design and manufacturing improvements necessary for criminal justice application. Applying the technology to the community corrections population required strengthening many components of the device. In 2019, we fully integrated the product into TotalAccess, allowing officers to sign in to one portal to monitor their entire caseload.

In 2019, BI released a new version of our breath alcohol monitoring device, the SL3. The BI SL3 mobile breathalyzer provides accurate and reliable testing through an enhanced tamper-resistant design and LTE technology. Examples of SL3 improvements implemented by BI engineers include:

- Larger 16mm fuel cell for improved accuracy and longer shelf life
- LTE modem communicates on reliable, progressive cellular network and reduces power consumption
- Extended, 72+-hour battery life
- Reinforced exterior case for increased product ruggedness

*For all equipment types, the Contractor(s) system shall meet the following requirements:*

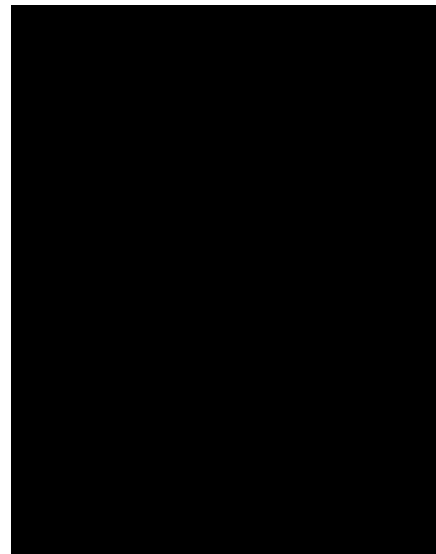
*a. Shall identify the offender's presence at certain prescribed locations.*

The portable SL3 collects a GPS point during the breath alcohol test and reports this information to the monitoring computer system when it submits the alcohol test result. In the unlikely event the unit is unable to collect a GPS point; the SL3 will use cellular tower triangulation to determine the client's approximate location. The use of primary and secondary location detection technologies **exceeds** RFP requirements.

*b. Handheld devices shall work by comparing an offender's voice to a voiceprint, digitized representation of the offender's voice and/or facial recognition.*

The BI SL3 takes a high resolution, digital photograph of the client during each breath alcohol test. From within TotalAccess, users can review the photograph associated with each test. In an effort to minimize workload, TotalAccess is equipped with innovative Biometric Facial Comparison technology to minimize manually reviewing photographs. Authorized users can login to TotalAccess at any time to view photographs.

Biometric Facial Comparison is the biometric facial recognition technology used to verify that the photo captured during the alcohol breath test is the client and not an impersonator. This technology compares the high-resolution test photo to a template of photos stored in TotalAccess. This allows TotalAccess to adapt to subtle appearance changes in the client over time, as opposed to comparing images to one photo that could be outdated.



**Figure 66. Biometric Facial Comparison**

The system uses innovative Adaptive Facial Comparison technology to assist officers with confirming that the assigned client was the individual who submitted to the alcohol test.

*c. Shall allow placement of outbound calls and/or receiving of inbound calls.*

Our suite of monitoring products includes 24/7/365 permission of receiving inbound calls and placing outbound calls to the monitoring center. As with our entire continuum of electronic monitoring solutions

offered in this proposal, BI Monitoring Operations will continue to provide continual call support for our suite of breath alcohol monitoring solutions.

*d. Shall have call schedules and alert notification options that are variable by offender case.*

---

From within TotalAccess, users can configure each client's SL3 for scheduled, random, and/or on-demand breath alcohol testing, supporting the agency's ability to vary call schedules and alert notification options. Agency personnel can schedule SL3 tests to occur at any hour, seven days a week. Using TotalAccess, authorized personnel can easily add or edit client-testing schedules as follows:

- Enter a mobile phone number for the client—if enabled, the TotalAccess will send text messages to this number to notify the client of required tests
- To create a Fixed Test Schedule:
  - Specify the Test Window—the amount of time that the client has to complete a test
  - As desired, enable automated text messaging to remind the client of impending tests
  - As desired, enable automatic retesting for test results of 0.02 BrAC or higher
  - Click on the displayed Calendar to select the desired testing time(s) and day(s)
- To create a Random Test Schedule:
  - Specify a start time and an end time for the random testing window
  - Users can create up to four random test schedules per day in addition to fixed test schedules
- To send an On-Demand Test, simply click the *On-Demand Test* button



*e. Shall individually set the number of acceptable failures before an alert is generated.*

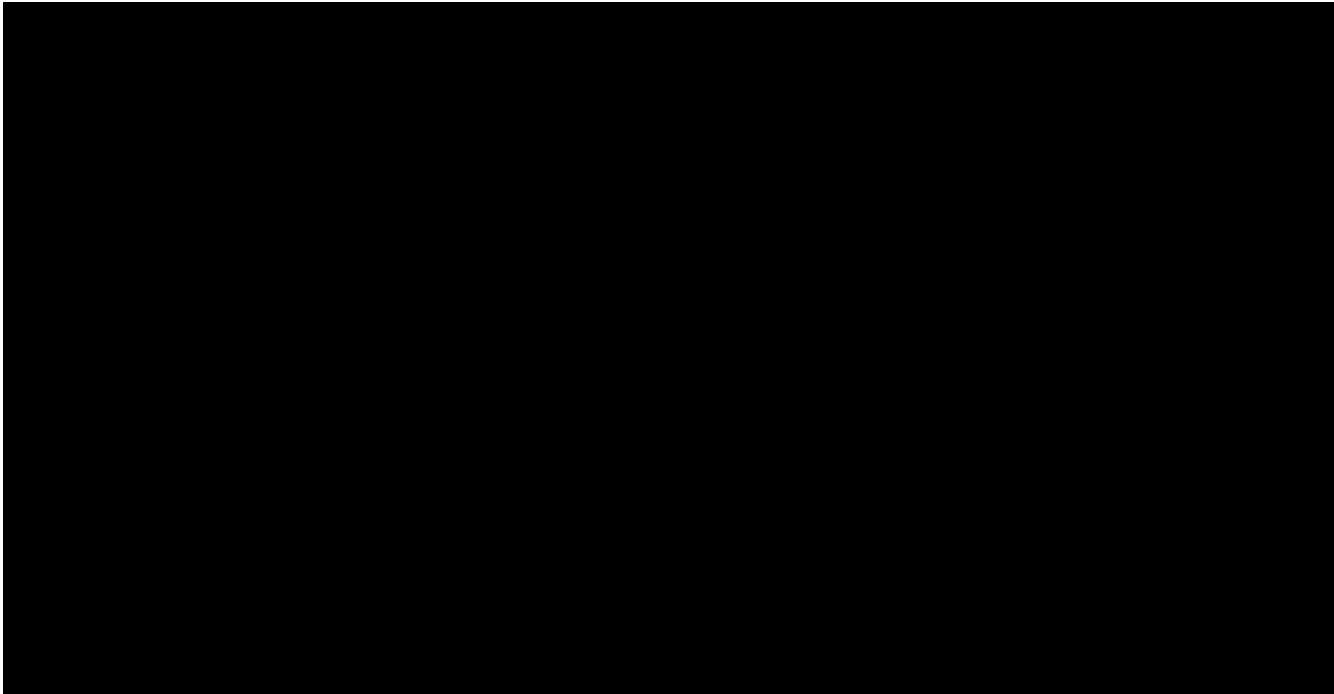
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In the event of a failed breath alcohol test, TotalAccess will generate an alert and report subsequent test results. BI software engineers designed the SL3 to communicate all testing data, rather than provide an option to not report data. This ensures officers are notified of possible attempts by the client to manipulate the test.

*f. Shall allow alert notifications through email or text messaging.*

---

From within TotalAccess, agency personnel can configure the BI SL3 to conduct scheduled, random, and on-demand breath alcohol testing. TotalAccess automatically sends a text message notification to the client's phone 15 minutes before the test. If TotalAccess does not receive test data from the SL3, the software will automatically send a follow-up notification to the client's phone.



**Figure 67. Custom Alcohol Testing Schedule Creation**

From TotalAccess, officers can add and edit alcohol testing schedules on a daily, weekly, or monthly basis. Authorized users can schedule tests on a random, scheduled and on-demand basis.

The following example provides additional information:

- The agency requires the client to submit a breath alcohol test at 9:00 am
- The agency has configured TotalAccess to allow a 30-minute test window; in this example, the test window will expire at 9:30 am
- TotalAccess automatically sends a text message to the client at 8:45 am, alerting the individual of the upcoming test
- If TotalAccess does not received test data from the SL3 unit by 9:15 am, the software will send the client another automated text message reminder at 9:15 am

BI has the ability to use Monitoring Operations to supplement text message reminders with phone calls. Live phone calls to clients will incur an additional cost, please refer to page 270 for more information. BI looks forward to discussing this aspect of our solution with evaluators at any time during the procurement process.

In addition to ongoing communication with clients, TotalAccess will automatically notify designated agency personnel of missed tests and noncompliant breath alcohol results.

*g. Shall have such hardware and software security features as necessary to be tamper resistant.*

The SL3 incorporates the following tamper detection features to detect and report client attempts to compromise normal device operation:

- Infrared Digital Camera takes a high-resolution photo during each alcohol test to help confirm the client's identity under many different lighting conditions.



█ [REDACTED]

█ [REDACTED]



**Figure 68. Communicating Alcohol Compliance Data**

The SL3 reports tamper attempts and alcohol events to TotalAccess via advanced LTE networks, providing a single-source, integrated solution.

All BI alcohol detection devices report all breath alcohol tests to the central monitoring computer in near real-time. If a client misses a test, or submits a positive test, TotalAccess processes the alert to notify the supervising officer to respond appropriately to the client. This combination of tamper resistance and security features **exceeds** the City's requirements.

*h. Shall allow online access to offender compliance history.*

All alcohol monitoring data, including client photographs, voiceprints, locations, and alcohol test data are communicated in near real-time to the monitoring computer system—facilitating prompt notifications of any missed or positive tests to the City. At any time, City personnel can access our web-based monitoring software to view current client information and their history of compliance.

*i. Shall individually set the range of minutes between retry calls after busy signal or a no answer and the maximum number of attempts to verify within a verification call.*

We respectfully suggest the City's or Participating Public Agencies' procedures allow BI to perform outbound verification calls. This will enable BI Monitoring Operations personnel to initiate a call to satisfy the requirement.

*j. Shall allow an officer or other designee to view and print summary reports as needed.*

Our TotalAccess monitoring software includes more than 40 predefined reports regarding client activity, violations and alerts, caseload statistics, equipment inventory, and historical data. City personnel can also create customized reports at any time. Most TotalAccess reports take less than a minute to run. City personnel can view reports onscreen, save reports to a hard drive, print reports from the software, or download reports into a variety of formats. Please also see *Proposal Section 3.1.4.8* on page 94 for additional information.

*k. Shall allow recording and printing the name of offenders and date and time of violation.*

As part of the SL3 enrollment process, City personnel login to TotalAccess and enter the client's information (including name, demographic information, address, and notes), the equipment ID of the assigned device, and a Security PIN that is client-specific.

The field equipment records a date and time stamp for all events upon occurrence, and the monitoring computer system records the date and time when it receives this information from the field.

*l. Shall demonstrate high degree of accuracy. Method of validation and percentage of accuracy shall be explained and quantified as part of the technical proposal.*

The SL3 measures breath alcohol tests with a high degree of accuracy. When a person consumes alcohol, it is absorbed into the blood stream. The exchange of alcohol from the circulating blood into the person's lungs occurs during the breathing process.

The SL3 collects a deep lung sample from an individual and uses a conversion calculation to determine the amount of alcohol in the body by the concentration of alcohol in the breath. The SL3 provides Breath Alcohol Content (BrAC) readings, with results that are accurate to within +/- .005 of the individual's BrAC.



An enhancement made by BI engineers to the SL3 is the internal fuel cell. This component registers the alcohol content in a client's breath. By incorporating a larger fuel cell, the SL3 maintains accuracy over a much longer period of time and will reproduce the same results if repeatedly tested under the same conditions. The sensors and technology in the SL3 have gone through the Daubert standard for court admissibility. BI understands the rigors of these standards and their key elements including scientific theory, peer review, reliability of a known error rate, and general acceptance within the scientific community.

**Court Admissibility of BI's Devices.** The SL2, SL3, and Sobrieter devices are court admissible and both devices have been widely used within court-mandated alcohol monitoring programs in every state in the United States.

BI is fully prepared to describe our monitoring equipment methodology and performance in legal proceedings upon the receipt of a subpoena. Technicians from the BI Engineering Department and product management personnel regularly respond to subpoena requests. BI agrees to provide testimony in the form of a written affidavit, as a deposition in a teleconferencing format, or in person if subpoenaed.



**Figure 69. Highly Accurate BrAC Results**

The BI SL3 remote alcohol monitoring device builds on scientifically proven sensor technology to reliably measure alcohol content for more testing cycles than previous generations of alcohol monitoring devices.

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*m. The unit shall measure Breath Alcohol Content (BrAC) by using a detection technology.*

The SL3 measures BrAC and provides readings from 0.000 to 0.400. BI SL3 test results are accurate to within +/- .005 of the subject's BrAC up to 0.100. Above 0.100, BI SL3 test results are accurate to within +/- 0.010. The SL3 triggers a retest if the BrAC is above 0.011.

---

*n. The unit shall measure BrAC by collecting deep lung samples.*

The SL3 takes a deep lung breath sample during the alcohol test, requiring the client to supply a strong and steady stream of breath for approximately four seconds. All of BI's devices use a calibrated fuel cell sensor and a conversion calculation to provide a BrAC reading.

Trained BI manufacturing staff calibrates each device during regularly scheduled maintenance. The sensor is adjusted using a known quantity of alcohol and tested to ensure the device generates accurate test results.

---

*o. As the concentration of alcohol in a deep lung sample is directly proportionate to alcohol concentration in the blood, the unit shall be capable of measuring Blood Alcohol Content (BAC) from 0.010 at a minimum.*

The BrAC range reported by the SL3 starts at .000, and alerts are generated upon the detection of a 0.010 or higher. All readings, however, are stored in TotalAccess for review and reporting purpose, regardless if an alert was generated or not.

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*p. The unit shall have a battery-operated backup.*

As a mobile device, BI designed the SL3 to operate solely on rechargeable battery power. A completely depleted SL3 battery is recharged in approximately four hours. Since the device is not attached to the client, charging can fully accommodate the desired testing schedules and the client's approved activities and mobility—for example, the client can conveniently and safely recharge the SL3 while they are sleeping via standard home outlets.

q. The battery shall power the unit for a minimum of twelve (12) hours and retain an ability to continue prescheduled tests.

The SL3 has more than a 72 hour battery life, **exceeding** RFP requirements. The device LCD screen displays the battery level, alerting the client of how much battery power remains prior to depletion. When the battery level is low, the device screen displays a “Connect to Power” message.

As a mobile device, BI engineers designed the SL3 to have the longest battery life possible, three days. Due to the extensive battery life, it is less likely that scheduled tests will be interrupted as it charges.

Clients can charge the SL3 using a USB adaptable power cord, which allows the device to be charged almost anywhere. Since the device does not attach to the client, charging the SL3 does not unduly interfere with approved activities or mobility.



**Figure 70. Long Battery Life**  
As a mobile device, the SL3 can be charged by the client in the residence, at the client’s place of employment, or other locations.

r. The unit shall use a secure process that prevents enrollment except by authorized individuals.

TotalAccess is equipped with security features to prevent unauthorized users from enrolling or deactivating clients. In addition, TotalAccess assigns every internal and external user a unique user ID, and passwords are required to be regularly changed.

An audit trail feature security log records all login and log-off activities. The system also records all changes to program information. Login ID codes enable the BI System Administrator to identify who modified the information, when it was modified, and the original information before the change. In addition, BI offers an *Audit Trail Report*, detailed on page 216 of this proposal.

s. The unit will be capable of storing messages in a nonvolatile memory in the event of phone loss.

If cellular service is unavailable, the SL3 can conduct and store at least 70 date and time stamped alcohol tests in the non-volatile memory. Once cellular service is restored, the SL3 promptly sends all stored data. At six tests per day, this would allow the device to store testing data for 11 days in the event of signal loss. Other devices claim to store 40,000 tests which would store more than 18 years of testing data. Responsible supervision requires a client report data as frequently as possible, making the storage of thousands of tests unnecessary. The smaller size of components dedicated toward storing memory data within the device allows BI hardware engineers to fit more tamper detection technologies without compromising functionality.

**SL3 Queuing Features**

*The BI SL3 has a “queuing” feature that stores and later uploads completed tests if there is a lapse in connectivity with TotalAccess. For example, if a test is sent from an area with poor cellular coverage, the test will be time-stamped and stored and automatically uploaded upon re-connectivity. The SL3 can store 70 tests, indefinitely, until reporting test results into TotalAccess.*

t. The unit will be able to continue to administer breath tests in the absence of phone service.

All of BI’s breath alcohol monitoring products can administer breath tests in the absence of phone service.

TotalAccess will generate notifications reminding individuals to perform breath tests, regardless of client location. Clients will receive all notifications to take tests via text messages. If the client is in an area with limited or no cellular availability, the individual may not receive the message at that time, which would reflect a limitation of cellular providers, not BI’s solution. However, as a back-up, agency staff can provide clients on an SL3 with a mandatory schedule for testing. All such tests would be stored in the device until phone service is restored.

*u. The Contractor(s) central monitoring computer system will be capable of determining whether the offender took the test and then generate alerts based on the test results.*

The SL3 reports all identification verification photos, location points, and test results to TotalAccess via cellular connection. The SL3 uses a built in, high resolution camera to capture an image of the individual submitting to the alcohol test, and TotalAccess compares this image with a collection of approved digital photos to verify that the assigned client completes each test as required.

The BI SL3 takes a high resolution, digital photograph of the client each the time a breath alcohol sample is collected. These photographs can be viewed at any time, and, in conjunction with the equipment’s innovative Biometric Facial Comparison technology, allows City staff to confirm that the breath sample is that of the monitored individual.

*v. The unit shall measure the presence of alcohol only. The Device shall not respond to natural gas or acetone.*

BI designed our breath alcohol monitoring solutions to collect a deep lung breath sample and measure breath alcohol content through a professional grade fuel cell. The fuel cell sensor is sensitive to methyl alcohol, isopropanol, carbon monoxide, and diethyl ether. The client should wait 20 minutes after exposure to any of these substances—as well as after eating, drinking, or smoking—before completing a breath alcohol test.

To determine if a test result was potentially influenced by exposure to environmental alcohol, the SL3 will automatically issue a retest 15 minutes after a positive test. BI has yet to find a common household product—such as mouthwash, toothpaste, hand sanitizer, or bug spray—that will produce a positive test result 15-20 minutes after exposure.

*w. The unit will use verification to correctly identify the offender.*

The SL3 is equipped with a high-resolution camera and temperature recognition technology, and the system uses intelligent facial comparison technology to confirm the client’s identity during all tests.

*x. The unit will allow tests to be administered in a variety of methods:*

As demonstrated by table below, BI’s SL2, SL3, and Sobriotor can administer breath alcohol tests in accordance with fixed, random, and on-demand testing schedules.

**Table 40. Remote Breath Alcohol Testing Requirements**

#	RFP Requirement	BI Continuum of Solutions		
		SL2	SL3	Sobriotor
i)	Random, computer generated as specified by the City. Allowing for an unlimited number of test periods and tests	✓	✓	✓
ii)	At City designated locations or in the client’s home by authorized City staff. After the test, within thirty (30) seconds the BrAC level should be displayed on the City operated hand held device.	✓	✓	✓

**Table 40. Remote Breath Alcohol Testing Requirements**

#	RFP Requirement	BI Continuum of Solutions		
		SL2	SL3	Sobriotor
iii)	"On-demand" by the City.	✓	✓	✓

y. The unit will utilize mechanisms that detect attempts by the offender to defeat the unit by supplying a breath sample other than their own. The "erroneous" sample might be from a mechanical apparatus or accomplice.

The SL3 uses a built-in camera that takes a photo during each alcohol test. This Biometric Facial Comparison technology, combined with temperature detection, and pressure sensors detect and report client attempts to compromise the system. These technologies include:

- **Photo Recognition.** To confirm the identity of the client at the time of testing, a photo is taken during the breath test and is transmitted to TotalAccess where it is compared to the master photo taken upon enrollment. The City has a color, high-resolution test photo to compare against after each test.
- **Biometric Facial Comparison.** In addition to taking a photo with each test, TotalAccess is equipped with facial comparison technology. This technology biometrically assesses a client's facial structure over a series of several tests and is able to intelligently "learn" the specific characteristics of their face. This technology can be used to quickly and easily sort client photos, increasing caseload supervision efficiencies. Photos recognized through Biometric Facial Comparison can be viewed at any time through the software platform.

• [REDACTED]

These combined technologies ensure that the client assigned to the device is the person submitting the test and **exceed** RFP requirements.

[REDACTED]

z. The unit will have tamper technology that is accurate and non-intrusive.

The SL3 uses various, non-intrusive methods to accurately detect client attempts to tamper with the device. This includes an infrared digital camera that captures a photo of the client during each test, breath temperature detection, and pressure sensors. In addition, tampers to the SL3 case are typically evident upon visual inspection.

aa. The Contractor(s) shall have monitoring software that is accessible through the internet and shall provide a description of its capabilities.

BI TotalAccess is a web-based software platform that supports our full continuum of monitoring technologies. Authorized City personnel can utilize the software on a 24/7/365 basis for all monitoring tasks. TotalAccess is highly customizable, sends automated notifications in accordance with City procedures, includes a multitude of reports, and allows City personnel to easily search client records.

City personnel can login to TotalAccess from any web-enabled device—including tablets, notebooks, smartphones, and computers. The software includes several time-saving features designed specifically for users in the field. For example, an officer can close an alert with a single click, and a supervisor can receive a prompt notification of the update. Please see *Proposal Section 3.1.5.9—Online Monitoring Software* on page 192 and *Proposal Section 3.1.5.7—Smartphone Application* on page 172 for detailed information about TotalAccess and TotalAccess Mobile software solutions.

### 3.1.5.5. Transdermal Specific Requirements

Unlike the near real time alcohol reporting available through BrAC solutions, like the SL3, continuous alcohol monitoring solutions can take 30 minutes to 4 hours to report drinking events because the alcohol is measured after it has been metabolized through the client’s system and perspired as detectable vapors. However, there are several advantages to continuous monitoring devices. These types of monitoring solutions are low risk, as they do not require client interaction, and supervisory personnel have much more complete data that can evidence if a client is compliant with agency mandates.

Our proven TAD solution provides the most frequent alcohol sampling rate in the industry and has a proven, court-validated record of meeting the needs of continuous alcohol monitoring programs.



The TAD solution consists of an ankle-worn transdermal monitor and a receiver located in the client’s home or primary location. The TAD continually detects the presence of alcohol through insensible perspiration and communicates all monitoring data to the HomeBase receiver. Connected to cellular network or landline, the HomeBase transmits all monitoring data directly to TotalAccess. Available with RF curfew monitoring capabilities, or as a standalone alcohol monitoring solution, the TAD incorporates the following key features:

- **Industry-Best Alcohol Detection Technology.** Using transdermal technology, TAD detects and reports alcohol events over a 0.020 Transdermal Alcohol Concentration (TAC) threshold. The TAD samples perspiration every minute and records an average of all samples every five minutes, collecting 288 data points within a 24-hour period. Other transdermal solutions test perspiration once every 30 minutes, providing only 48 data points over the same period.
- **Monitor Curfew Compliance.** Officers can create or customize curfew schedules for clients wearing a TAD device. From TotalAccess, officers can easily modify RF schedules and assign preset schedules to clients on a daily, weekly, or monthly basis. The HomeBase receiver records each time the TAD device enters and exits and compares this data to the RF schedule. The HomeBase reports all curfew violations to TotalAccess.
- **Robust Tamper Detection Technologies.** The TAD transmitter incorporates several tamper detection technologies to provide comprehensive protection against client tamper attempts and help to ensure system integrity. As a highly durable and shock resistant unit, the TAD is equipped with proximity detection, a fiber optic strap, motion sensor, skin contact sensor, water sensor, temperature sensor, and an infrared sensor—to the best of our knowledge, no other solution offers this level of tamper detection.
- **Distinguishing between Ingested and Environmental Alcohol.** TAD uses a statistical algorithm created, tested, and verified by BI to distinguish between a true drinking event and alcohol readings caused by environmental contaminants such as cleaning or beauty products. The algorithm creates a baseline for each individual wearing the device and enhances testing accuracy. BI Monitoring Operations staff will assist with interpreting alcohol charts on a 24/7/365 basis throughout the life of the contract.



**Figure 71. TAD**  
 The TAD is court validated and uses industry standard technology to monitor client compliance with supervision terms.

- **Court Validated Technology.** When BI first introduced the TAD device to the electronic monitoring industry, we provided expert testimony in several cases regarding the alcohol data collected by TAD. The BI representative interpreted data related to the alleged drinking event and defended the reliability of the TAD device. BI’s testimony was accepted by the Court as admissible evidence using the Daubert Standard.
  - Frye and Daubert Tests are the recognized standards for admitting scientific evidence into most courts. BI understands the rigors of these standards and their key elements including scientific theory, peer review, reliability of a known error rate, and general acceptance within the scientific community. The Courts applied the Daubert Standard when qualifying BI’s witness as an expert and accepting the evidence provided in a Mason, Ohio Municipal Court.
- **Next-Generation Receiver: HomeGuard 20|20.** Available to the City in the next contract term, the BI TAD will be interoperable with our newest receiver, the HomeGuard 20|20. The HomeGuard receiver is equipped with three axis motion sensor, GPS sampling capabilities, a full-color and highly durable LCD touchscreen, and audio alarm technologies—providing some of the most advanced monitoring capabilities available in the industry. Detailed information about this receiver is provided in *Proposal Section 3.1.5.2—Radio Frequency Category* on page 122.



**Figure 72. TAD with HomeGuard 20|20 Receiver**

The HomeGuard 20|20 is BI’s newest receiver which can allow officers to send messages to the client via the LCD display on top of the device.

### Experience with Transdermal Alcohol Monitoring

As detailed throughout this section of BI’s proposal, we are highly qualified to support the City’s program. BI was the first company in the industry to manufacture devices specifically to monitor individuals in supervision programs; our unmatched experience is a strong competitive advantage. This is not only demonstrated by our longevity in the industry, but also the breadth of customers we support.

BI has been researching, developing, implementing, and improving transdermal products for more than a decade. We released the TAD alcohol monitor in 2009, offering a unit that provides continuous alcohol and RF curfew monitoring in a single device.

Over the years, BI engineers continually research ways to improve the reliability, accuracy, and durability of the device and our monitoring processes. Key examples of TAD experience that demonstrates BI’s expertise with transdermal monitoring includes:

- Improving the Alcohol Detection Module (ADM) to provide a more durable and robust monitoring solution
- Sampling transdermal alcohol measurements every minute and averaging these samples every five minutes—providing much more detailed information than other devices that sample every thirty minutes
- Implementing a two-layered confirmation process to provide expert assistance with interpreting alcohol events generated by the TAD; technical experts and BI engineers are available to review alcohol charts
- Using a proprietary algorithm that provides a baseline measurement for each client wearing the device, enhancing testing accuracy and providing single source admissibility for court and revocation hearings

a. The unit will include tamper detection features including phone, case, and power alerts to ensure accuracy of the data generated by the unit.

The TAD contains seven tamper detection features within the device. Agency personnel can also be alerted to violations via email, smartphone, or tablet. Combined, these technologies deliver comprehensive protection against client tampering and help ensure system integrity. The combination of these seven tamper detection technologies are described in the following table and **exceed** RFP requirements.

**Table 41. TAD Tamper Detection Technologies**

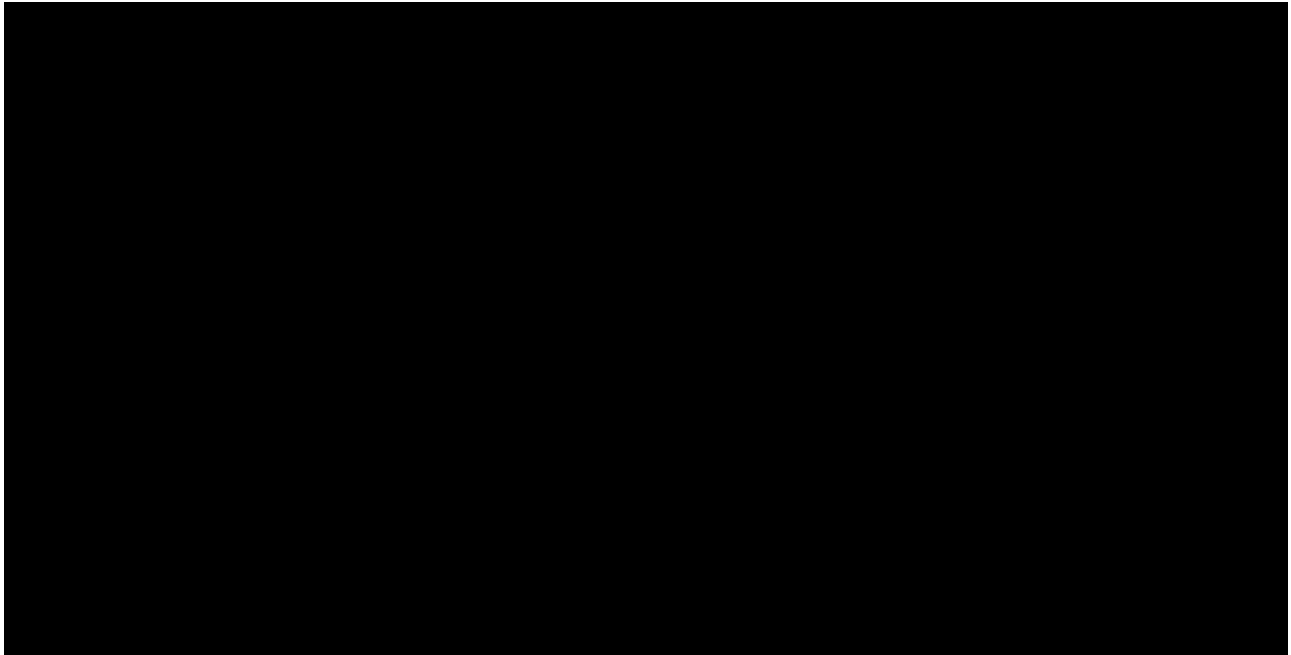
Technology	Generated Event	Description

**Calibration Notification**

The BI TAD requires calibration every six months and should be returned to BI for calibration and device maintenance. To track calibration dates for the agencies, TotalAccess is equipped with an *AMD Calibration Report*. Authorized users can schedule this report to be automatically delivered to defined City personnel on a reoccurring basis. Most agencies schedule this report for delivery on a weekly or monthly basis.

The graphic on the following page provides a sample of this report.





**Figure 73. AMD Calibration Report**

From within TotalAccess, users can generate a report that lists the calibration due date for all TAD units by serial number, client, and device. The date is shown in red if the calibration has expired and yellow if the calibration is due in the next month.

*b. The unit will not require offenders to push buttons, or otherwise interact with the unit, in order for the testing process to begin or results of the test to be reported.*

There is no need for the client to push buttons or otherwise interact with the TAD. The ankle-worn TAD continuously detects for the presence of alcohol and seamlessly and automatically transmits all collected information to the HomeBase receiver when in range.

*c. The System shall provide twenty-four (24) hour monitoring of alcohol concentration through the skin.*

TAD is a water-resistant, battery-operated device that measures ingested alcohol through a sensor resting firmly on the client's ankle. This continuous alcohol monitoring technology measures client alcohol consumption 24/7/365 through vaporous or insensible perspiration passed through the skin. TAD applies a proprietary algorithm to generate a baseline for each individual to enhance testing accuracy.

*d. The unit shall be attached to the detainee's ankle using secure straps and alarms that detect any attempt to tamper with the device.*

The TAD transmitter incorporates several tamper detection technologies to provide comprehensive protection against client tamper attempts and help to ensure system integrity. As a highly durable and shock resistant unit, the TAD incorporates the following tamper detection technologies:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

*e. External power and phone cords for the unit shall be field replaceable.*

In the field, City personnel can quickly and easily replace the cords that connect the HomeBase receiver to the AC power and landline phone sources, as needed.

*f. The unit will be compatible with the Contractor's Radio Frequency monitoring solution. The unit will also have the capability to be used as a stand-alone solution.*

The TAD solution offers objective, reliable alcohol monitoring and RF curfew monitoring within a single system. The ankle-worn TAD automatically and continuously emits RF signals that are detected by a HomeBase receiver in the client's home. The HomeBase detects the client's presence/absence from the home by detecting the presence/absence of the TAD signals within a specified range. The TAD also transmits all stored alcohol data to the HomeBase when in range.

The HomeBase communicates all system information to the monitoring computer system via landline or cellular connection.

The TAD can also be used solely as a continuous alcohol monitoring device, independent of its RF monitoring capability.

*g. The transmitter shall automatically measure and record the offender's transdermal alcohol level on a regular basis, regardless of the offender's location.*

TAD automatically and continuously samples the client's skin perspiration for the presence of alcohol and record corresponding measurements on an ongoing basis—regardless of the client's location.

*h. The transmitter shall take an alcohol sample a minimum of once every thirty (30) minutes or as determined by the City.*

Attached to the client's ankle at all times, the TAD solution provides the agency with detailed and complete alcohol monitoring data. The TAD samples perspiration every minute, **exceeding requirements**, and records an average of all samples every five minutes, providing 288 data points within a 24-hour testing period. Other transdermal solutions test perspiration once every 30 minutes, providing only 48 data points within a 24 hour period.

*i. The unit shall connect to the telephone network with a standard RJ11-C jack or through cellular communication. A telephone cord and modular plug shall be provided with the unit at no additional cost to the City. The unit shall be directly connected to the offender's home phone line, or through an optional Cellular Receiver, to report events and alerts to the Contractor(s) central monitoring computer.*

The TAD operates in conjunction with a paired landline or cellular receiver. The ankle-worn TAD continuously collects and records alcohol data internally. The TAD securely transmits data to the receiver via RF signal when the device is in range of the receiver. The paired receiver is available in three distinct models:

- HomeGuard 20|20 reports to TotalAccess via the LTE cellular network and will be available to the City and OMNIA Partners using agencies during the next contract term
- HomeBase 105 reports to TotalAccess via landline telephone
- HomeBase 110 uses a cellular connection to report TotalAccess, with the ability for landline functionality



**Figure 74. Alcohol Detection Sensor**  
The Alcohol Detection Module (ADM) samples the alcohol content of the client's perspiration to determine the client's TAC level.

The paired receiver is typically installed inside the client’s home. The receiver automatically detects the RF signals from the TAD when the ankle-worn device comes within range. The receiver reports all alcohol and curfew data to the central monitoring computer via landline telephone or cellular connection.

*j. The transmitter shall comply with FCC regulations and be highly durable, shock-resistant, and water resistant to allow for activities such as bathing.*

TAD is small and lightweight, weighing less than 8 ounces. TAD is also waterproof, shock-resistant and functions reliably under normal atmospheric and human environmental conditions. During the development and design of the TAD, internal personnel and third-party companies performed rigorous durability testing. This Highly Accelerated Life Testing (HALT) exposed TAD to extremes in environment, shock, and vibration to ensure accurate functionality under normal atmospheric and human living conditions.

All of BI’s proposed equipment is FCC certified, as summarized by the following table and *Appendix D*.

Table 42. Transdermal Alcohol Monitoring Device FCC Certification		
Monitoring Type	BI Device	FCC Certification
Alcohol	BI TAD Transmitter	CSQTAD001
	BI TAD Receiver (landline)	GN7MM01B-HB-100
	BI TAD Receiver (cellular)	GNU7MM00B01-EX-520
	BI HomeGuard 20 20 Receiver (LTE cellular)	XPY2AGQN4NNN

*k. When a low-battery event occurs, the system shall generate a low-battery alert that gives City staff at least five (5) days to replace the battery before it becomes exhausted.*

The TAD generates a “TAD Battery Level Low” message approximately five days prior to battery depletion. The alert would appear in the TotalAccess alert queue, managed by BI Monitoring Operations. The officer would simply call BI Monitoring Operations to schedule a service call.

*l. The transmitter straps and battery shall be replaceable in the field and require minimal training for City staff.*

The TAD attaches to the client with a field-replaceable, fiber optic strap, and a field-replaceable battery powers the device. The TAD battery can power the device for up to six months of continuous use before requiring replacement. To replace the battery, authorized personnel simply complete the following steps:

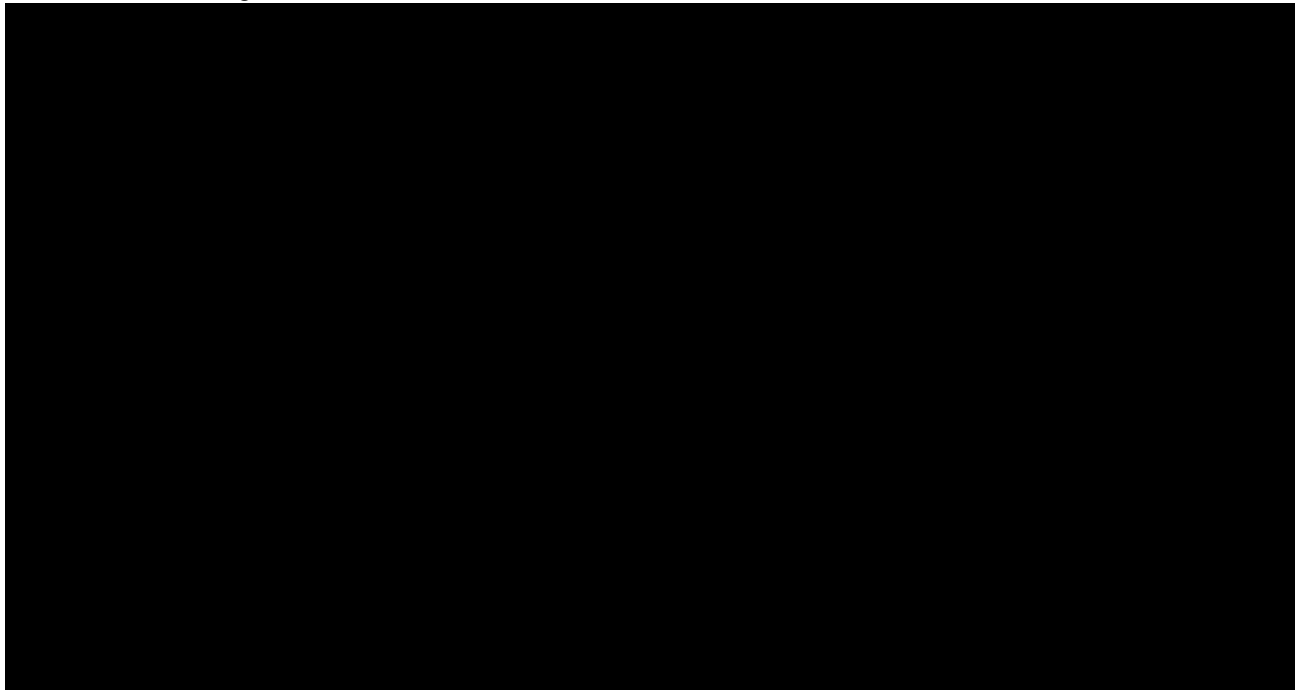
1. Use the cutting tool to remove and discard the battery security cover
2. Use the battery cap tool to disengage and remove the battery cap
3. Remove the installed battery from the device
4. Insert a new battery into the device
5. Replace the battery cap—place the cap over the battery and use the battery cap tool to rotate the cap in until secure
6. Place a new security cover over the battery cap—ensuring the cover latches into place

*m. The transmitter shall be able to distinguish between ingested alcohol and environmental alcohol.*

Using an Alcohol Detection Module (ADM) that rests firmly against the client’s bare leg, the TAD monitors and measures alcohol ingestion by detecting the insensible perspiration that passes through the client’s skin. The ADM uses membrane electrode technology to calculate Transdermal Alcohol Concentration (TAC) readings, and our system uses a statistical algorithm to distinguish between ingested and environmental alcohol.

If the TAD is exposed to environmental alcohol, the alcohol reading drastically rises and decreases—which is visually demonstrated as a dramatic spike on the activity graph displayed within TotalAccess. It is physically impossible for a human’s alcohol consumption to produce such a result. When an individual ingests alcohol, the transdermal alcohol content steadily increases and decreases.

As seen below, the graph on the left shows an environmental alcohol event, while the graph on the right shows a drinking event. The steady rise and slow decline of the TAC line in the right-hand chart indicates that the individual’s body is metabolizing the alcohol. The erratic fluctuations of the left-hand chart denote that alcohol is being introduced from an external, environmental source.



**Figure 75. Ingested Versus Environmental Alcohol**

When used in conjunction with an individual baseline reading for each monitored client, the ADM can differentiate between ingested and environmental alcohol.

*n. The transmitter should have multiple tamper detection technologies such as water submersion, skin conductivity, temperature, proximity to the leg, infrared debris buildup detection, motion detection and strap tamper detection.*

Combined, these technologies deliver comprehensive protection against client tampering and help ensure system integrity.

*o. At a minimum, the transmitter shall detect, record, and alert City staff for the following: low battery, unit shall be returned for recalibration, alcohol event, equipment tamper, and curfew violation (if paired with an optional receiver).*

When the ankle-worn TAD enters the range of the paired receiver, the home-based unit will communicate all monitoring events to TotalAccess, as summarized below.

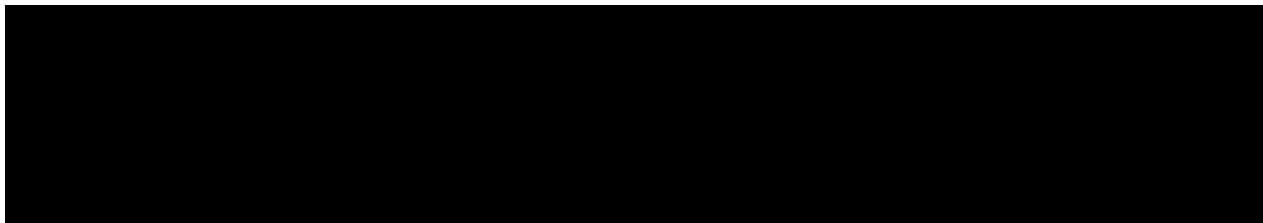
**Table 43. TAD and Optional HomeBase Receiver Generated-Events**

Category	Event	Description
[Redacted Table Content]		

*p. The transmitter shall be able to pair to a receiver to report monitoring data to the Contractor(s) central monitoring computer system.*

To the best of our knowledge, TAD was the first device in the industry to offer continuous alcohol monitoring and curfew monitoring in a single device. As a result, the agency can monitor sobriety and curfew compliance with one easy to use, reliable solution.

When paired with our HomeBase, the ankle-worn TAD continuously emits RF signals that are detected by the receiver. The HomeBase detects the client's presence or absence from the home by these signals. Whenever a client enters or leaves the home, BI's solution relays this monitoring data to TotalAccess via landline or cellular connectivity. TotalAccess contains the parameters for each individual case, including the client's schedule, and the software compares HomeBase events to the schedule. Our solution will automatically notify designated agency personnel of all noncompliant activities.



*q. The transmitter shall emit a signal to the receiver at least once every thirty (30) seconds continually, during the operating life of the transmitter's battery.*

Throughout the operating life of the battery, the ankle-worn TAD continuously emits RF signals. When in range, the TAD signals are automatically detected by the paired HomeBase receiver.

*r. RF signals from the transmitter to the receiver should have a range of up to one- hundred and fifty (150) feet.*

---

For RF curfew monitoring, the HomeBase can be configured with a range of 35, 75, or 150 feet.

*s. RF signals from the transmitter to the receiver should be on a noncommercial frequency.*

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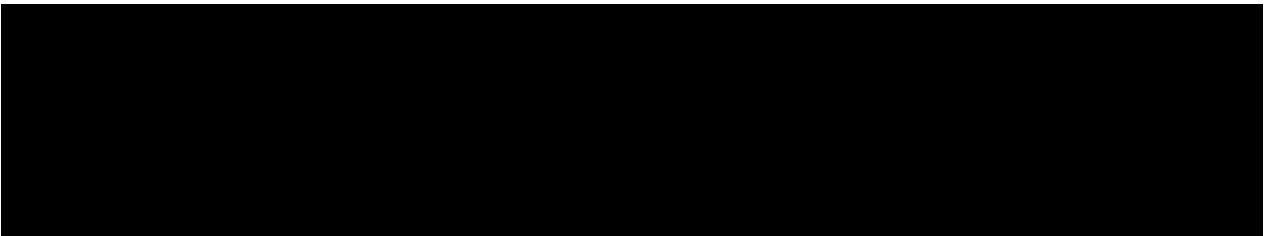
TAD transmits curfew information and alcohol data to the HomeBase using noncommercial frequencies.

*t. Contractor(s) shall allow the unit to be paired with Radio Frequency (RF) as determined needed by the City. The RF service shall be available in land line and cell variants.*

---

To the best of our knowledge, TAD was the first device in the industry to offer continuous alcohol monitoring and curfew monitoring in a single device. As a result, the agency can monitor sobriety and curfew compliance with one easy to use, reliable solution.

When paired with our HomeBase, the ankle-worn TAD continuously emits RF signals that are detected by the receiver. The HomeBase detects the client's presence or absence from the home by these signals. Whenever a client enters or leaves the home, BI's solution relays this monitoring data to TotalAccess via landline or cellular connectivity. TotalAccess contains the parameters for each individual case, including the client's schedule, and the software compares HomeBase events to the schedule. Our solution will automatically notify designated agency personnel of all noncompliant activities.



### 3.1.5.6. Supplemental Support Services

As electronic monitoring programs expand, and monitoring technologies have become more advanced, many agencies operating community corrections programs find themselves burdened by the vast amount of data these devices can generate. For example, if the client is being tracked by a GPS unit that collects a location point every minute, an agency would have more than 1,440 GPS points to review every 24-hours—approximately 10,000 GPS points per week for just one client.

With these monitoring challenges in mind, BI has continued to develop enhanced support solutions aimed at alleviating administrative, technical, and data management workloads. BI's Agency Assist offers services beyond alert notification and 24/7/365 technical support.



BI Agency Assist can relieve officers of up to 50% of their time spent on time-intensive administrative tasks. Through our 24/7/365 bilingual monitoring center based in Aurora, Illinois, BI offers a solution designed to meet the needs of agencies that require services beyond alert notification and technical support. BI Agency Assist can support the City and Participating Public Agencies by offering the following services:

1. **Contact Documentation:** Officers dictate case contacts to Monitoring Specialists
2. **Scheduling Services:** Clients request or officers report schedule changes to Monitoring Specialists
3. **Enhanced Monitoring Service:** Monitoring Specialists proactively contact clients to attempt to resolve alerts, or to investigate alerts, prior to notifying officers
4. **Automated Self-Reporting:** Clients call into an automated phone line to proactively report changes in status
5. **Client Docs:** Stores all documents, photos, and files related to client supervision
6. **Fee Collection:** Self-pay program through BI's Customer Business Services department

These time-saving services reduce the number of routine and administrative tasks to allow officer to spend more time focused on high risk alerts and client interactions.

#### Experience Providing Supplemental Support Services

BI's suite of Agency Assist services and software can be highly customized to meet the unique monitoring needs of the agencies we serve. This section of our proposal provides evidence of our ability to offer supplemental support services to some of the largest community supervision programs in the nation, including:

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

[Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

[Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

[Redacted]

**Figure 76. Supplemental Support Services History**

Our close collaboration with the agencies we serve demonstrates BI's ability to develop custom services to support officer efficiencies.



[REDACTED]

[REDACTED]

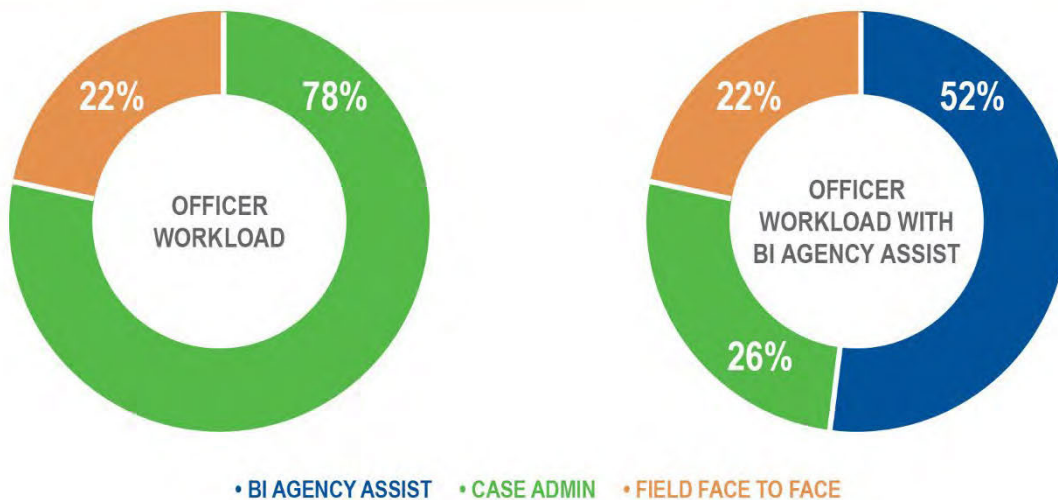
[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

The agency requires administrative, technical, and data management services. Based out of the offeror’s twenty-four (24) hours a day, seven (7) days a week monitoring center, the agency requires bi-lingual services aimed at helping officers keep clients accountable. The goal of these services is to relieve officers of clerical and administrative tasks to allow agency personnel to maximize time spent with clients. All data that is generated, modified, or updated through these supplemental support services must be accessible via phone, email, or tablet.

As caseloads increase and electronic monitoring programs expand, many officers operating community corrections programs find themselves spending more time handling administrative tasks rather than supervising and rehabilitating clients. According to time studies published in the *Probation Journal*<sup>3</sup>, officers spend up to 72% of their time on administrative tasks. These tasks, the majority of which are mandated by court orders, leave little time for officers to facilitate rehabilitation or monitor client compliance. The following figure demonstrates this research.

**Increasing Officer Efficiency**  
BI developed Agency Assist services with the goal of relieving officers of clerical and administrative tasks to allow City personnel to maximize time spent with clients.



**Figure 77. Decreasing Administrative Tasks to Increase Field Face-to-Face Interaction**

According to studies published in the *Probation Journal*, removing administrative tasks from an officer’s daily duties has the potential to increase efficiencies and support supervision priorities.

**3.1.5.6.a. Automated Check-In**

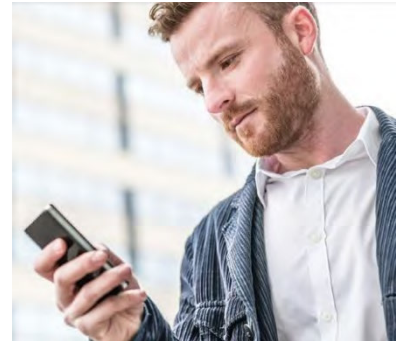
With expanding caseloads and limited resources, many agencies struggle with actively monitoring lower level, first time, or low risk clients. Alternatively, some agencies require additional monitoring check-ins beyond traditional monitoring technologies.

As a highly flexible and customizable solution, BI Agency Assist offers an Interactive Voice Response (IVR) system. The IVR system can be used for any client population to support City-defined monitoring conditions. IVR supports routine client check-ins on a City-defined frequency. BI’s automated check-in system consists of the following activities:

1. The client calls the IVR system.

<sup>3</sup> Matthew DeMichele and Brian Payne, “Taking officer time seriously: A study of the daily activities of probation officers,” *Probation Journal* 65, (Dec. 2017): 39-60, <https://doi.org/10.1177/0264550517748358>

2. The IVR verifies the caller's identity by collecting a PIN, unique agency-defined identifier, date of birth, or other information.
3. The IVR asks the caller a series of agency-defined questions, such as change of address, employment updates, or contact with law enforcement.
4. Information collected by the IVR is automatically captured by BI's software without any interaction from a Monitoring Specialist.
5. The IVR will automatically escalate the call to a live Monitoring Specialist if there are any exceptions to the questions.



**Figure 78. Automated Check-In Solution**

BI's customized, IVR system allows for voice check-ins in both English and Spanish and interfaces with live Monitoring Specialists for real-time entry of exceptions.

*i. The Contractor(s) must provide an automated self-reporting solution that requires clients to call into an Interactive Voice Response (IVR) system.*

BI's fully automated IVR solution allows City personnel to require clients to regularly check-in and report any significant changes to their circumstances. During each check-in, the IVR will pull client information from our software. As the client confirms information, the IVR will update the database with any relevant changes. If the client's information has changed since the last check-in, the IVR will automatically forward the call to a live Monitoring Specialist who will collect and record the updated information in the database.

*ii. Clients must be able to call the system as required to provide daily, weekly, or monthly check-ins.*

As a highly configurable system, the City can require clients to call the IVR on a daily, weekly, or monthly basis.

*iii. The system must be able to verify information for each caller through a series of questions (e.g. "have you had any changes in employment?").*

During program implementation, BI will work closely with the City and Participating Public Agencies to determine which questions the IVR will ask each caller. Examples of the types of questions routinely asked by the IVR include:

- Has your address changed?
- Has your employment changed?
- Have you had any contact with law enforcement?
- Have you been arrested since your last check-in?
- Would you like to leave a message for you officer?
- Would you like to request a change to your schedule?
- Do you have any orders of protection?
- Would you like to update your officer on your schedule or location?

#### Real-Time Escalation Procedures

*BI's IVR solution performs real-time adjustments, including escalating calls to a live Monitoring Specialists. Many other IVR solutions forward the offender to voicemail box for call center staff follow-up at a later time*

We look forward to working with City and Participating Public Agencies to customize IVR questions specific to each agency's monitoring needs.

*iv. If there are changes or exceptions to the expected responses, the client must be routed to a live member of the offeror's monitoring center. Contractor(s) staff must update information in the system in real time.*

BI's routine check-in solution relies on both automated and live Monitoring Specialist interaction to capture client information. The IVR will ask the client a series of questions, escalate the call to a live

Monitoring Specialist if there are any exceptions, and make real-time adjustments to client information in the software.

*v. The system must provide automated notifications and reminders to clients.*

BI's system can be used to remind clients and pretrial defendants of upcoming probation appointments, court hearings, or other mandated activities. The City will be able to select the method and frequency of all reminder notifications, including alerting clients of upcoming activities via text message, email, or live operator call.

Email and text reminders will be configured for automatic delivery within the Automated Check-In software. Clients who require phone calls will be identified and tracked within the Automated Check-In software. BI's Monitoring Operations will place outbound calls to clients and record the time, date, and the result (successful or unsuccessful) of the call. The assigned officer will receive notification for all reminders that are sent, and all communications will be recorded in the client's record. Officers will be able to select which method of delivery they prefer—text, email, automated call, or live operator call.

*vi. The system must have the capability for officers and clients to leave and receive messages from one another.*

BI's IVR solution streamlines the communication process between officers and clients:

- If a client wants to leave a message for their officer, the caller simply indicates so during the check-in process.
  - The call is escalated to a live Monitoring Specialist that transcribes the message, asks follow-up questions (if part of the City-determined procedure), and alerts the officer of the message via predetermined notification methods.
- If an officer wants to leave a message for the client, the officer calls BI Monitoring Operations.
  - BI will verify the officer's identity through a PIN and transcribe the message.
  - The next time the client performs a check-in, the caller will be notified that they have a pending message from their officer.
    - Alternatively, BI can proactively contact the client to relay urgent or time-sensitive messages.

**IVR Reduces Officer Workload**

*The IVR will act as a comprehensive data collection tool for officers, providing programmatic efficiencies while dramatically reducing officer workload.*

In addition to verbal messages relayed to individual clients, the IVR system is able to send out mass communications to all or groups of clients. Officers can relay information to their entire caseload as easily as sending a message to an individual client.

*vii. The system must provide real-time officer notifications for any noncompliant activity.*

With the understanding that communicating noncompliant activities is critical to successfully monitoring clients, BI can customize our IVR solution to meet the unique notification and escalation processes used by the City. BI Monitoring Specialists will leave a message for officers when necessary regarding routine client check-in activities. All data collected during check-in calls will be available in BI's software. BI will communicate with officers in numerous ways regarding check-in calls, including:

- Placing outbound calls
- Sending email messages to the officer's mailbox
- Displaying information in case summary and dashboard screens within the software
- Following alert notification and escalation protocols

*viii. The agency must be able to customize the questions asked by the IVR system.*

BI's proposed check-in solution is highly flexible. We are able to modify questions or make other changes based on evolving City requirements.

3.1.5.6.b. Documenting Officer Contact with Clients

A key component to effectively monitoring clients in the field is through regular communication with officers, supervising work and school activities, and verifying any changes in the monitored individual's circumstances. This often results in officers spending much of their time in the field, returning to the office, and performing laborious data entry—which introduces the risk of incomplete or inaccurate case notes. To alleviate this burden, BI Agency Assist offers Contact Documentation Services that enable officers to dictate information to Monitoring Specialists.

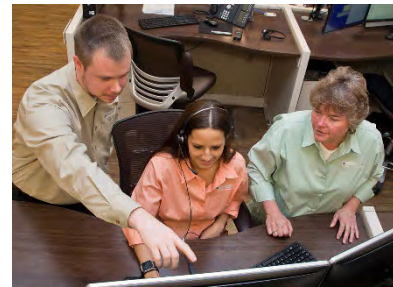


Figure 79. Documenting Client Contacts

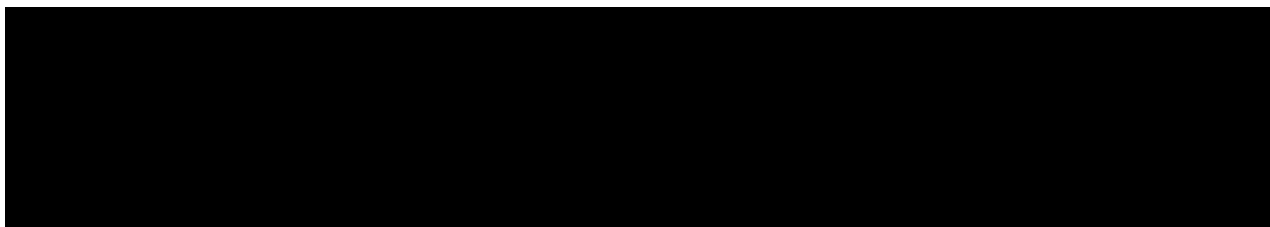
Officers can dictate key events directly to BI Monitoring Specialists using City-established codes to quickly relay notes.

Case Documentation Services uses a feature in TotalAccess that displays mandatory fields to guide Monitoring Specialists in capturing critical data points. Monitoring Specialists data entry screens will change based on the type of information the officer dictates.

For example, if an officer calls BI Agency Assist to report a drug test, the software will automatically prompt the Monitoring Specialist to ask the following questions:

- Was the drug test performed randomly, due to reasonable suspicion, or routinely?
• What type of drug test was performed?
• What were the results of the drug test?

BI Monitoring Specialists will be available on a 24/7 basis to receive dictated case notes from officers in the field. Agency personnel can retrieve client history files by calling BI Monitoring Operations or by logging in to TotalAccess.



i. The Contractor(s) must provide data entry service for officers to record case notes while in the field.

The Case Contact feature uses a series of mandatory fields to guide Monitoring Specialists in capturing critical data points. The Case Contact feature is a highly intuitive solution that BI designed to capture complete and accurate information. Monitoring Specialists data entry screens will change based on the type of information the officer dictates.

Easily Sort and View Client Data
The Case Contacts feature allows users to sort and view data based on event codes, for example the number of face-to-face contacts, drug test results, and routine check-ins.

ii. The Contractor(s) must provide highly trained staff to transcribe officer notes based on interactions with clients. These services must be provided on a twenty-four (24) hours a day, seven (7) days a week basis.

BI Monitoring Specialists will be available on a 24/7 basis to receive dictated case notes from officers in the field. City personnel can retrieve client history files by calling BI Monitoring Operations or by directly accessing the software.

iii. All documentation of case notes must be date and time stamped within the software. These notes should be easily reviewed by authorized staff.

Authorized City personnel can retrieve all dictated case notes by calling BI Monitoring Operations or directly accessing the software. With the understanding that all client contacts are critical to ensuring compliance, BI's software will automatically date and time stamp all Case Contact activities.

### 3.1.5.6.c. Alert Management Activities

Alert management is a common challenge for agencies monitoring individuals released to the community—regardless of if the individual is on electronic monitoring equipment or checking-in through BI's SmartLINK mobile application or similar technologies. With these challenges in mind, BI Monitoring Specialists will attempt to proactively resolve alerts, troubleshoot equipment issues, notify assigned agency personnel of confirmed violations, and modify client schedules.

BI will collaborate with the City to determine which alerts require proactive resolution, the processes to follow for each type of alert, and the officer to notify if the violation remains open. An example of the type of custom alert resolution process used by BI Agency Assist includes:

1. Monitoring Specialists will ensure that the violation status is accurate by viewing client information in software.
2. If the violation is still active, the Monitoring Specialist will attempt to locate the client by calling the host site, work, school, or aftercare locations.
  - a. BI will attempt to resolve the violation by performing the steps outlined above two times.
3. Should the Monitoring Specialist have direct contact with the client, BI staff will attempt to troubleshoot the issue with the client.
4. The Monitoring Specialist will follow City-designated alert notification procedures, including emailing, calling, or escalating the alert to an officer.



**Figure 80. Proactive Alert Management**

The City can minimize the number of alerts officers are required to process by using *Enhanced Monitoring Services*. Trained Monitoring Specialists can process routine alerts, allowing officers to focus on high-priority alerts and complex situations.

i. The Contractor(s) monitoring center must accept client calls to verify that clients are adhering to agency-mandated schedules.

**Note: This requirement does not apply to individuals on electronic monitoring devices. Monitoring Specialists will not need to accept location verification calls from individuals wearing equipment, as the device will perform these verifications.**

BI understands that officers can place a client that is not monitored via electronic monitoring technology on curfew requirements. BI will work closely with the City to create specific procedures regarding accepting calls from clients to verify compliance with mandated schedules. The following procedure is an example of the methods employed by BI Monitoring Operations to verify client schedule compliance:

1. The client will call BI Monitoring Operations within 2 hours of the scheduled departure/arrival time.
2. BI's software will generate random outbound calls to ensure the client is present at home and compliant with curfew restrictions.
3. If a client misses a check-in call, BI will generate an outbound call to determine if the client is complying with curfew requirements.

*ii. Clients will call the Contractor(s) monitoring center to verify, schedule, or amend appointments for job interviews, work, school, or doctor visits.*

Monitoring Specialists will document all calls for schedule changes in BI's software. BI will document all information pertaining to the schedule change request including:

- The date and time of the request
- The Monitoring Specialist associated with documenting the request
- The type of schedule change requested by the client

#### Officer Approved Schedule Procedures

*Officers will be able to override standard movement procedures for any offender on a 24/7 basis. As an extra level of quality assurance, Monitoring Specialists will review any "Special Notes" in the software to determine if there are any exceptions associated with an offender's movement.*

### Modifying Client Schedules

BI will collaborate with the City to determine the type of schedule changes Monitoring Specialists are allowed to process. Examples of circumstances in which other agencies allow BI to modify an individual's schedule include:

- Job search activities
- Work, with up to 90 minutes travel time
- Counseling, with up to 90 minutes travel time
- School, with up to 90 minutes travel time
- Emergency Room (ER) medical situations, with up to 90 minutes travel time
- Movement authorized by request from officers

*iii. The system must enable officers to approve or deny requests by phone or via offeror software.*

BI will collaborate with City leadership during program implementation to develop approval processes related to schedule requests. Monitoring Specialists can call officers to verify the approval processes, or authorized users can approve or deny requests through the software.

*iv. The Contractor(s) monitoring center must conduct initial outbound calls on all EM alerts, placed by persons physically present in the monitoring center. This must occur prior to dispatching alert information to the officer.*

As a supplemental service, BI has the ability to proactively investigate electronic monitoring alerts through our live Monitoring Specialists located at our Monitoring Operations offices. BI will collaborate with the City to determine which alerts require proactive resolution, the processes to follow for each type of alert, and the officer to notify if the violation remains open. An example of the type of custom alert resolution process used by BI Monitoring Operations includes:

1. Monitoring Specialists will ensure that the violation status is accurate by viewing client information in software.
2. If the violation is still active, the Monitoring Specialist will attempt to locate the client by calling the host site, work, school, or aftercare locations.

3. BI will attempt to resolve the violation by performing the steps outlined above two times.
4. Should the Monitoring Specialist have contact with the client, BI staff will attempt to troubleshoot the issue with the client.

The Monitoring Specialist will follow City-designated alert notification procedures, including emailing, calling, or escalating the alert.

*v. These initial calls should troubleshoot equipment issues or to locate a missing monitored individual.*

BI can designate that clients may have faulty equipment in two scenarios: (1) per an officer's instructions; or (2) when a Monitoring Specialist determines an equipment violation may exist. BI's *Standard Operating Procedure* for equipment repairs includes:

1. Officers call Monitoring Operations to report equipment malfunctions, or the Monitoring Specialist determines equipment malfunctions are occurring.
2. The Monitoring Specialist selects a function within the software.
3. Based on software prompts, the Monitoring Specialist describes the equipment error through answering a series of questions.
4. Monitoring Specialists attempt to resolve equipment issues by reviewing alert history and making outbound calls to the client to ensure equipment functionality.



**Figure 81. Experienced Monitoring Specialists**

The highly tenured professionals in BI's Monitoring Operations center perform specialized supervision services to some of the most complex monitoring programs in the nation.

To locate a missing individual, BI will enact the violation resolution process described above in response to the previous specification.

*vi. If unsuccessful, the alert must be escalated to the supervising officer for additional action in real time.*

BI Monitoring Specialists will always follow the City's alert notification processes, methods, and timeframes. This will enable officers to respond to potential violations in real-time.

### **3.1.5.6.d. Processing Warrants**

Warrant processing is a critical component to enacting sanctions after a client has demonstrated non-compliance with mandatory terms of release. This activity, while critical to supporting public safety and upholding City and Participating Public Agency supervision goals, can quickly become an administrative burden to officers with large caseloads.

With these needs in mind, BI has an established Warrant Processing Helpdesk staffed by live, knowledgeable Monitoring Specialists based out of our Monitoring Operations facility. Each Participating Public Agency will have unique warrant processing requirements, protocols, and preferences. BI will work closely with the City and Participating Public Agencies to develop and implement customized warrant processing.

*i. The Contractor(s) must provide warrant processing services to expand the agency's after-hour coverage.*

BI will assist the City and Participating Public Agencies with processing, reporting, and maintaining accurate records related to warrant issuance. This will be accomplished through a 24-hour BI Warrant Processing Helpdesk, staff specifically trained to support warrant requests, consolidated reporting, and Standard Operating Procedures that will guide Monitoring Specialists through the warrant process.



Based on each unique agency’s needs and processes, BI will establish which events trigger support from our Warrant Processing Helpdesk. Examples of the types of events that may trigger Monitoring Specialists to process warrants include:

- Absent without Leave (AWOL) or absconded clients, including:
  - Clients considered AWOL based on electronic monitoring and GPS data
  - Clients considered AWOL per officer instructions
- Failure to comply with orders of supervision/agency mandates
- Clients that have been arrested

*ii. When a client misses a scheduled check-in or is considered absconded, the Contractor must accept calls from officers to process a warrant for the client’s arrest.*

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In support of processing warrants, we understand that law enforcement officials will contact BI Monitoring Operations to hold a suspect by acquiring a warrant. BI will provide an 800-phone number dedicated to law enforcement officials to accommodate this component of our solution.

**Warrant Processing**

*BI Monitoring Operations currently has all telecommunications equipment in place to accommodate warrant issuance requirements, including a system to distribute law enforcement calls to specially trained Monitoring Specialists.*

BI allocates senior, tenured Monitoring Specialists to respond to warrant requests, and these individuals have received rigorous training specific to collecting and recording information regarding warrants. In addition, BI developed our software interface to provide the Monitoring Specialists with automated prompts to aid with data collection and accuracy.

Examples of information collected when law enforcement official contacts BI Monitoring Operations to request a warrant include:

- The Law Enforcement Officer’s name, associated agency, and county
- Specific incident information, such as:
  - Was the client arrested?
    - What was the client charged with?
    - What was the class of the charge?
  - Was there a weapon involved in the incident?

*iii. The Contractor must process fingerprint and name matches in the National Crime Information Center (NCIC) database.*

---

As a component of warrant processing, BI will perform name and fingerprint hit monitoring through a National Crime Information Center (NCIC) terminal within our Monitoring Operations facility. Tenured Monitoring Specialists will review and respond to emailed name and fingerprint hits, escalating information as appropriate to designated agency personnel.

### **3.1.5.6.e. Fee Processing**

Cost-effective monitoring is critical to meeting the needs of many agencies; budgets are often shrinking while officer caseloads continue to expand. Many community supervision programs include models that require clients to directly pay all, or a portion of, the costs associated with their supervision—including electronic monitoring, case management, and other supervision activities. Fee collection adds another administrative duty to an officer’s workload, and agencies often struggle with collecting fees, generating reports on fee collection, and processing clients that may be indigent. Fee collection is further complicated by the type of client population being monitored—for example, certain types of clients may be required to pay only a portion of the cost of their supervision.

*i. The Contractor(s) must provide fee management services that include client fee collection and processing, for both court-ordered or supervision fees, either electronically or manually.*

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BI will provide client fee collections and a web-based payment record of collected supervision fees, per client. Our system will calculate, collect, and record fees owed by the client, and will track and notify City personnel and clients of missed payments. The Client Supervision Fee Collection System will provide the City with three types of client enrollment statuses:

1. **Enrolled.** The client is currently enrolled in the Supervision Fee Collection System and is responsible for payments. If the client needs to be removed due to inability to make payments (indigent, homeless, SSI-Disability, or unemployed) then the officer can change the client to Not Enrolled or Suspended status.
2. **Not Enrolled.** The client is not currently enrolled in the Supervision Fee Collection System and is not responsible for any fees that were assessed during their release.
3. **Suspended.** The client's status is currently suspended, and they are only responsible for fees assessed while in Enrolled status. Once the client is suspended they will not continue to generate additional fees.

*ii. The system must have the ability to configure fee reminders for each individual through an automated notification system.*

---

The Client Supervision Fee Collection System will configure fee reminders through an automated notification system for assigned clients or pretrial defendants.

*iii. The system must utilize a notification system that alerts clients when payments are due or late.*

---

BI will notify clients of delinquent payments through an automated script in the IVR system, which will review missed payments and remind clients of their payment schedule during monthly check-in calls. In addition, Monitoring Specialists will provide outbound calls to clients upon request of City personnel.

*iv. Clients should have the option to pay fees via remittance envelopes or credit card through the offeror's twenty-four (24) hour monitoring center.*

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BI will provide an easy to use remittance envelope with clearly labeled fields to assist clients with providing the necessary information for payment submission. BI will only accept cashier's checks or money orders from clients. If payment by personal check or cash is received, a BI Monitoring Specialist will contact the supervising officer to determine the appropriate response. In addition to the methods detailed above, BI has the ability to add additional methods of payment, including credit cards or online payment as directed by the City or Participating Public Agencies.

### 3.1.5.7. Smartphone Application

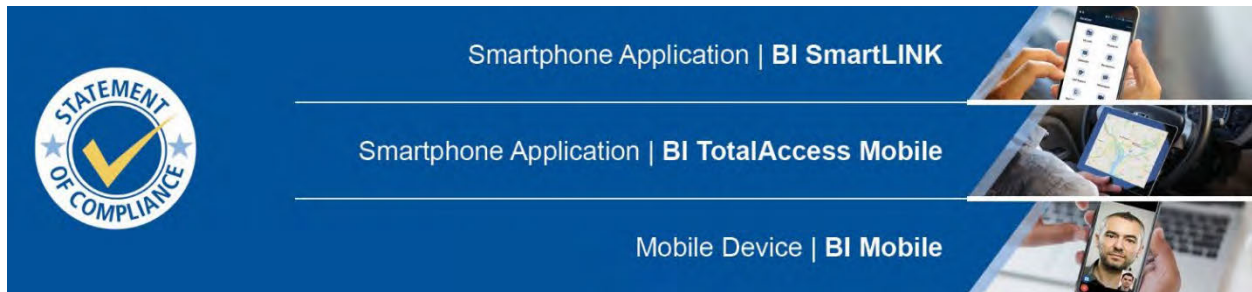
*The Contractor(s) must provide a client-facing smartphone application that provides supervision tools for agency personnel and client tools for accessing community resources.*

Smartphone applications have become a critical component of many supervision and electronic monitoring programs across the nation, for both officers and participants.

**Participant Mobile Application.** Client and defendant-focused smartphone applications have the potential to support participant reentry, verify compliance with monitoring conditions, and streamline communications with officers. During the COVID-19 pandemic, where in-person interactions became restricted, smartphone applications became a critical component of many supervision programs. BI SmartLINK is a feature-rich smartphone application that meets all these programmatic needs and is continually evolving in tandem with the objectives of the agencies we serve.

In addition to offering an application on the client’s phone, BI offers a secured device, BI Mobile, that restricts the participant’s access to smartphone features. BI Mobile uses a proprietary operating system enabling unrivaled control of how the device functions. A client provided device uses either iOS or Android operating systems, which cannot be controlled to the same degree as BI Mobile. BI Mobile comes with SmartLINK Verify pre-installed and is described in detail within this section of BI’s proposal.

**Officer Mobile Application.** Officers in the field and other agency personnel require intuitive client monitoring tools that can be managed from a smartphone. Supervision staff need a mobile application that supports responding to alerts, updating schedules, activating equipment, and completing enrollments. With these needs in mind, BI developed TotalAccess Mobile, an officer-centered smartphone application supports managing caseloads while away from their computer. Unlike other providers that offer only mobile website functionality, BI TotalAccess Mobile is a dedicated application that maintains the security and functional standards of our entire web-based monitoring platform.



#### SmartLINK: Application for Clients

BI SmartLINK is a smartphone application that places key information into the hands of the EM program participant. Designed to foster client compliance with agency requirements, SmartLINK is a tool clients can use to support supervision and compliance while in Arizona communities and throughout the nation.

BI SmartLINK is an Apple and Android compatible mobile application that gives officers an effective method to communicate with and supervise clients. To deliver the most effective and targeted features to the agencies we serve, BI offers three SmartLINK programs:

- The SmartLINK Connect program provides mobile communication that is immediate, convenient, and timesaving for both officers and clients. BI developed this solution to save officer time with fewer face-to-face meetings and phone calls, while giving clients the communication tools to support sobriety, accountability, and overall compliance.
  - The SmartLINK Connect Program is included at no cost, as a complement to BI's electronic monitoring equipment.
- The SmartLINK Report program and the SmartLINK Verify program are two other application options, available at an additional cost.



**Figure 82. BI SmartLINK**

SmartLINK is wholly developed and designed by BI Software Engineers who have decades of experience with community supervision technologies.

As a highly flexible monitoring solution, BI SmartLINK can be used for all community supervision populations, including clients tracked with BI equipment or as a standalone solution.

The following table details SmartLINK features and associated programs.

Table 44. SmartLINK Features and Programs			
Feature	Program		
	A. Connect included	B. Report optional	C. Verify optional
<b>1. My Info</b> <i>Clients view and submit changes to contact information, employment, and other key data</i>	✓	✓	✓
<b>2. Messages</b> <i>Supports text message capabilities between officer and clients with all data stored in TotalAccess</i>	✓	✓	✓
<b>3. My Documents</b> <i>Clients view documents uploaded by officers</i>	✓	✓	✓
<b>4. Resources</b> <i>Provides a list of agency-approved community resources</i>	✓	✓	✓
<b>5. Calendar</b> <i>Reminds clients of mandated activities, such as court appearances of community service</i>	✓	✓	✓
<b>6. Client-Submitted Schedules</b> <i>Clients submit schedules for officer approval</i>		✓	✓
<b>7. Self-Report</b> <i>Clients answer agency-customized questions</i>		✓	
<b>8. Self-Report with Biometrics</b> <i>Clients answer agency-customized questions and complete a biometric check-in</i>			✓
<b>9. Biometric Check-In</b> <i>Verifies client identity and location on a scheduled or random basis</i>			✓

**Table 44. SmartLINK Features and Programs**

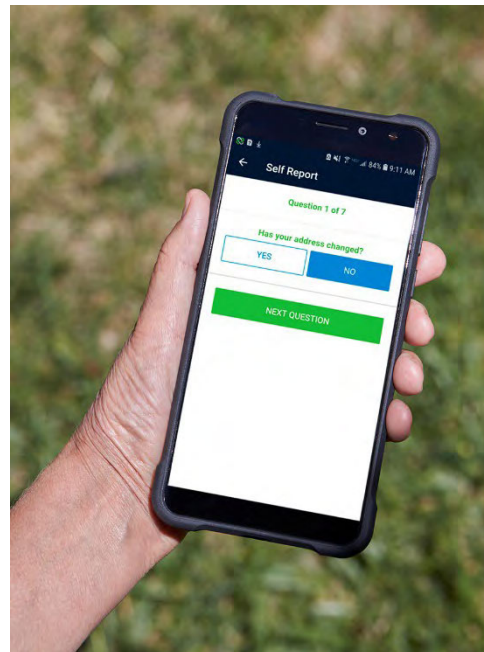
Feature	Program		
	A. Connect included	B. Report optional	C. Verify optional
<b>10. Video Conference<sup>4</sup></b> <i>Streams video communications between officers and clients</i>	✓	✓	✓

**BI Mobile: Secured Smart Device**

Modern electronic monitoring programs rely on the accuracy, reliability, and speed of monitoring data. With the increasing use of mobile applications to communicate with clients, verify compliance, and support overall reentry, BI engineers developed a secured mobile device monitoring solution. BI Mobile alleviates challenges agencies and clients, such as sex offender, work release, indigent, and homeless populations, may face related to accessing a smartphone. BI is the first and only provider to offer a mobile device that runs on a proprietary operating system and provides a high level of device security.

Key features associated with BI Mobile include:

- **Secure Operating System Developed by BI.** BI Mobile runs on a standalone operating system developed in-house by BI software engineers. Unlike Mobile Device Management (MDM) software, which simply blocks or restricts functionality, BI Mobile removes functionality completely, preventing clients from disabling the software or installing third-party applications.
- **Controlling Smartphone Access and Activity.** Pre-installed with SmartLINK only, BI Mobile eliminates the client’s ability to browse the internet, make unauthorized phone calls, access app stores, or manipulate phone settings. Unlike smartphones with MDM software that simply block or restrict the client’s use of the device, BI Mobile limits client access to traditional smartphone functionality and only provides access to SmartLINK application features.
- **Eliminating GPS Spoofing.** Many smartphone applications allow clients to tamper with or “spoof” GPS points, including installing foreign GPS programs manually. BI Mobile restricts the client’s ability to download any applications, completely mitigating the possibility of the monitored individual introducing false monitoring data.
- **Continuous GPS Tracking.** BI Mobile collects location points using GPS, Wi-Fi, and cellular location technologies, and TotalAccess processes these location points against any assigned GPS zones. BI Mobile runs on a custom operating system, ensuring agencies can validate the legitimacy of location points; there is no way for the client to restrict the tracking functionality, close the application, or dismiss permissions.



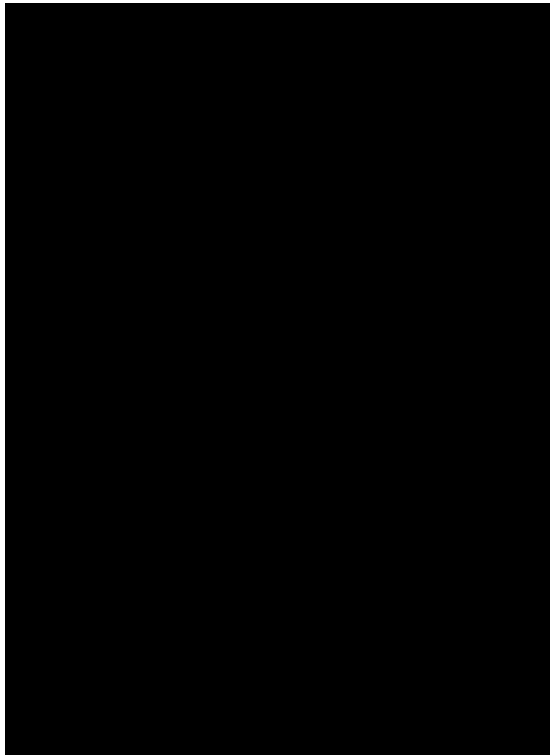
**Figure 83. BI Mobile**  
We offer a secure mobile device, with SmartLINK pre-installed, to provide a more secure model of smartphone application tracking and utilization.

<sup>4</sup> Available at an additional cost, per streamed call

### TotalAccess Mobile: Application for City Personnel

BI TotalAccess Mobile is a dedicated application for agency personnel that maintains the security and functional standards of our entire web-based monitoring platform. Our Software Development team built this application from a mobile perspective—processes and workflows from web-based TotalAccess were adjusted to ensure efficient, on-the-go functionality. In addition to incorporating most features of TotalAccess, BI added functions that are solely accessible via TotalAccess Mobile. Key features of TotalAccess Mobile include:

- **Verifying Officer Safety.** TotalAccess Mobile users can scan a BI monitoring device while in the field, documenting the officer’s location and the date and time of the interaction.
- **Communicating with Clients.** Officers can video conference with clients using SmartLINK, and all communications are stored indefinitely in TotalAccess.
- **Inventory Variance.** TotalAccess Mobile has a new inventory management feature to quickly reconcile inventory variances.
- **Viewing Nearby Clients.** This feature populates client locations on a map that details an officer’s surrounding area.
- **Equipment Inspection.** Agency personnel can manage all equipment alerts, add, edit, or delete equipment, and assign serial numbers remotely.
- **Push Notifications.** Officers can be notified or violations by receiving a push notification from TotalAccess Mobile, providing prompt and accurate information on noncompliance while agency personnel are in the field.
- **Monitoring Clients.** This feature allows users to add, edit, and delete caseload information; edit all client schedules; and send audio messages to clients on-demand.
- **Mapping and Zones.** To easily adjust monitoring requirements in the field, agency staff can view all client GPS points, enable Pursuit Mode on GPS devices, and create/edit zones.



**Figure 84. BI TotalAccess Mobile**  
To the best of our knowledge, no other electronic monitoring provider offers a fully functional, officer-centered mobile application.

### Experience with Smartphone Applications

As an organization dedicated to evaluating the application of new technologies in supervision programs, BI anticipated the need for smartphone technologies in the electronic monitoring industry. As such, we first began developing mobile applications in 2016.

**Client Smartphone Application Experience.** Unlike other providers, BI’s SmartLINK application was developed entirely by our own employees, without relying on third parties. During the development of SmartLINK mobile application, BI focused on providing a suite of monitoring tools to assist both officers and clients. When SmartLINK was first released in 2017, the application had five product features:

- Check-In
- Self-Report
- Calendar
- Supervision Terms
- Resources

Today, the application supports three distinct, feature rich programs designed for varying population and monitoring needs: SmartLINK Connect, Report, and Verify. The SmartLINK video conferencing feature,

first introduced in 2018, has been a crucial tool for agencies during the COVID-19 pandemic when in-person interactions were limited.



**Officer Smartphone Application Experience.** TotalAccess Mobile is continually evolving based on the changing needs of community supervision programs and the officers using the application. When the TotalAccess Mobile application was first released in July 2018, the software had four initial features:

- Client Profile
- Client Schedules
- Alert Management
- Mapping

Upon this initial release, the *Mapping* feature was most widely used by officers while in the field. This feature allows officers can request an on-demand location point from any client tracked with a GPS device and provides real-time location information.

Another widely used feature is TotalAccess Mobile *Media Management*, released in February 2020. This feature allows users to upload documents and photos directly into TotalAccess for inclusion in the client’s case record. This feature can send case management or supervision documents directly to clients via SmartLINK, and users can require that the client acknowledge the receipt of the document.

From the initial release with four features in 2018, today TotalAccess Mobile has more than 25 features and capabilities, with additional upgrades continuously released on a regular basis.

**3.1.5.7.a. Application Features**

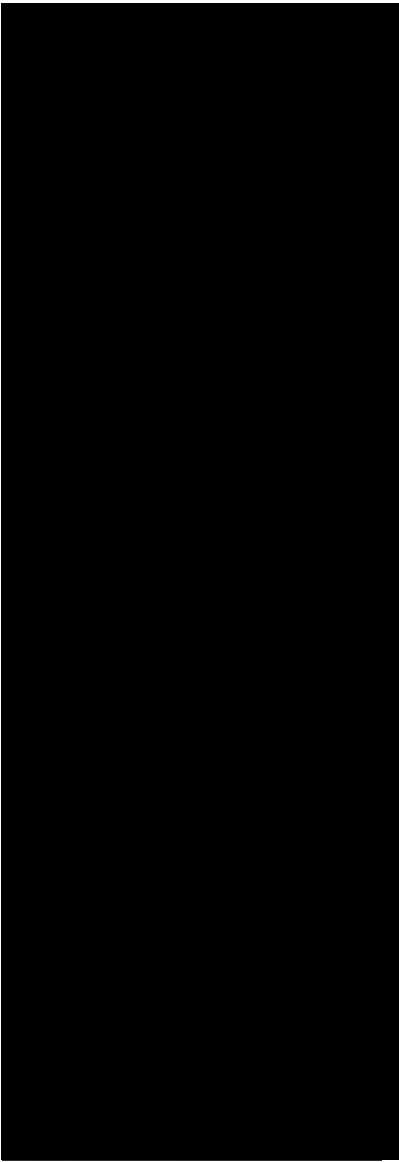
*i. The mobile application must be highly secure and use password protection and other security features.*

After downloading TotalAccess Mobile from the Google Play Store or the Apple App Stores, authorized users verify their account and have access to key monitoring information from a smartphone. Officers can login to TotalAccess mobile using either fingerprint or FaceID. After logging in via these biometric means, TotalAccess Mobile allows officers to quickly respond to alerts while in the field. Officers receive push notifications, allowing users to fully address alerts within TotalAccess Mobile. Officers can also adjust the client’s schedule, enter a comment, close alerts, and view push notification history.

Similarly, BI SmartLINK allows clients to use their fingerprint on Apple and Android devices, in addition to FaceID on iOS to login to the application.

*ii. The application must provide a mobile reporting platform to help increase client accountability while in the community.*

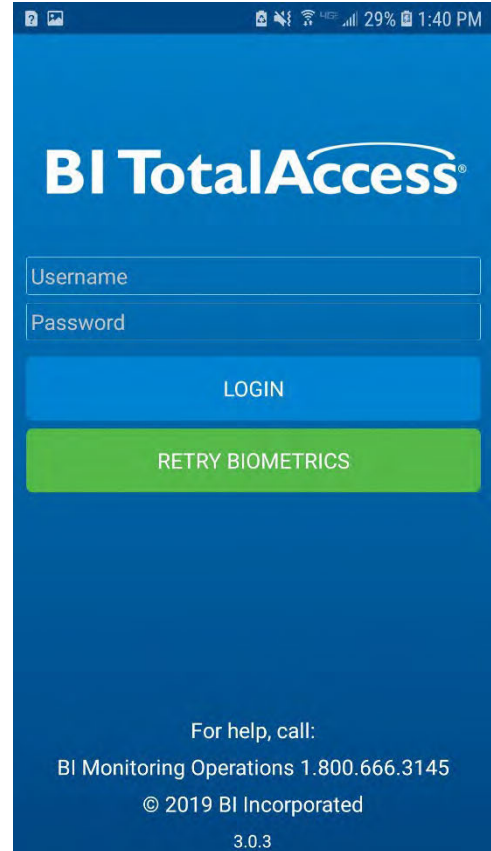
BI’s solution includes valuable features within the SmartLINK mobile application that have the potential to increase overall participant accountability and minimize officer workload. Specific features of SmartLINK that support accurately monitoring client populations in the community include:



**Figure 85. Experience with Smartphone Applications**

BI has a proven history of continually developing and releasing smartphone application features for both officers and monitored participants.

- **Two-way, active communication capabilities.** For example, officers can open up a direct line of communication with the client during a violation.
  - Proactively remind clients of curfew schedules, appointments, or other monitoring mandates.
  - Clients can view all schedules and appointments, 24/7/365 from within SmartLINK
- **Client-submitted schedule modifications.** In lieu of submitting hardcopy schedule requests, calling officers, or reporting in-person to modify curfew restrictions, clients can request these changes directly in the application.
  - Officers have the ability to approve or deny schedule modifications in TotalAccess or TotalAccess Mobile—streamlining communications, eliminating alert processing, and ultimately supporting compliance.
- **Biometric check-in with GPS capabilities.** The City can require clients to check-in at specified times and locations to verify compliance with supervision conditions. SmartLINK also provides on-demand check-in features, enabling officers to collect near real time location and biometric data.
- **Proactive self-reporting.** Should the client experience significant life changes, for example contact with law enforcement or change in employment, the individual can proactively report this information through SmartLINK. This streamlines communications and supports accurate client information.



**Figure 86. TotalAccess Mobile Secure Login**  
 BI TotalAccess Mobile follows industry-best practices to ensure proprietary monitoring data remains confidential.

*iii. The mobile application must be customizable based on agency preferences and client risks and needs.*

When developing SmartLINK capabilities, BI realized that community supervision programs would require the ability to customize features based on agency preference and participant needs. To support a variety of participant populations and supervision requirements, BI categorized SmartLINK features into distinct programs:

- SmartLINK Connect includes application features aimed at streamlining officer and client communications, supporting accurate data collection, and providing reentry support to monitored individuals. SmartLINK Connect application features include:
  - My Info
  - My Documents
  - Calendar
  - Messages
  - Resources
- SmartLINK Report includes application features that enable the client to proactively report changes to their supervising officer, including changes to schedules and life circumstances. SmartLINK Report application features include:
  - Client-Submitted Schedules
  - All SmartLINK Connect features
  - Self-Report



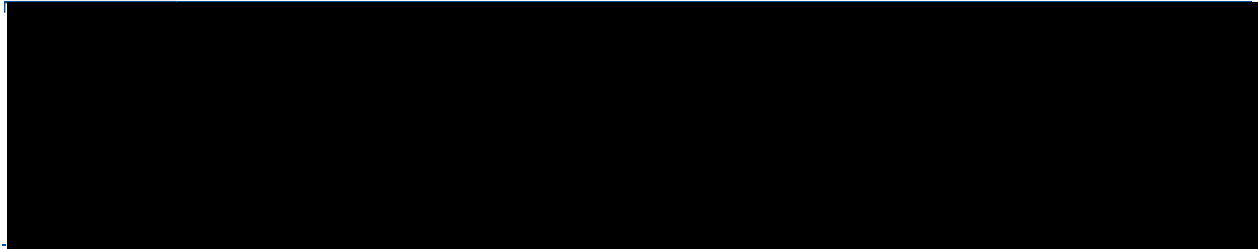
**Figure 87. Features Aligned with Risks and Needs**

the SmartLINK application can be used in conjunction with electronic monitoring equipment, or as a standalone solution based on the participant’s risks and needs.



- SmartLINK Verify includes applications that allow officers to confirm compliance with supervision conditions via GPS and biometric technology. SmartLINK Verify application features include:
  - Self-Report with Biometrics
  - All SmartLINK Connect features
  - Biometric Check-In
  - All SmartLINK Report features

Officers can select the most appropriate SmartLINK program for each client based on participant need and supervision requirements.



### Other Application Customizations

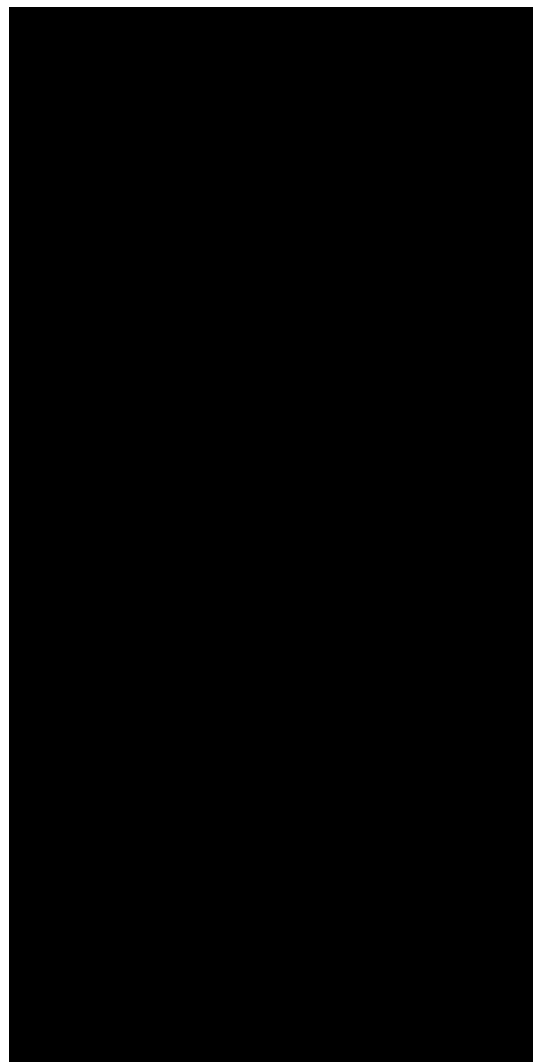
Beyond the selection of SmartLINK programs, authorized City users have the ability to customize specific features of the application. The City can create custom questions to include in the *Self-Report* feature; BI developed this feature to specifically target participant risks and needs. In addition, users can create custom scheduled and random biometric check-in schedules based on participant risks and needs. This feature can be used to verify participant attendance at court-mandated counseling, for example.

SmartLINK *Resources* provides another feature that users can customize. This SmartLINK function allows the City to select local community service providers that can support client reentry and stabilization.

*iv. The data generated, collected, and reported via the mobile application must be accessible within the Contractor(s) electronic monitoring software.*

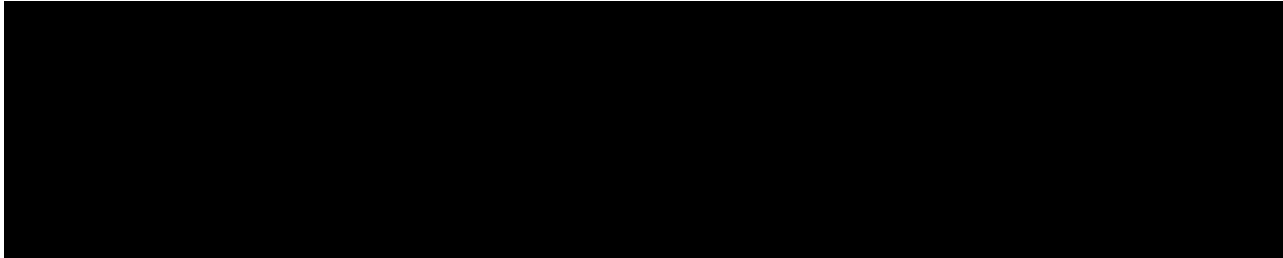
Providing easily accessible data to officers is central to TotalAccess Mobile and SmartLINK functionality. All data generated by BI's mobile applications is stored in TotalAccess, which officers can view 24/7/365. Examples of how BI smartphone applications generate, collect, and report monitoring and supervision data includes:

- **Officer Uploads.** TotalAccess Mobile allows users to upload documents and photos directly into the client's case record. Officers can send case management or supervision documents directly to clients via SmartLINK, and users can require that the client acknowledge the receipt of the document.
- **Participant Uploads.** SmartLINK provides the ability for clients to proactively upload documents or photos for officer review. This eliminates the need for in-person, paper record processes and increases data accuracy.



**Figure 88. TotalAccess Mobile Media**  
TotalAccess Mobile provides the ability for officers to upload and review documents associated with participant monitoring.

- **Case Notes.** TotalAccess Mobile provides users with the ability to add and view case notes. The application includes standard template case notes for frequent/common events. For example, officers can select a predefined template that summarizes the outcomes of a phone call with the client, including date, time, client name, purpose of call, and outcome.
- **Electronic Monitoring Data.** TotalAccess Mobile contains several features that support collecting and reporting information about participants tracked via BI devices, for example:
- **Viewing Client Locations.** While in the field, officers can use TotalAccess Mobile to request an on-demand location point from any client tracked with a GPS device. This feature provides real-time location information, supporting client supervision activities and compliance priorities.
- **Inventory Management.** TotalAccess Mobile has a new inventory management feature to quickly reconcile inventory variances.



*v. The mobile application must be available in both English and Spanish.*

SmartLINK supports English, Spanish, Portuguese, and Haitian Creole, **exceeding requirements.** More languages being added on a regular basis by BI software development.

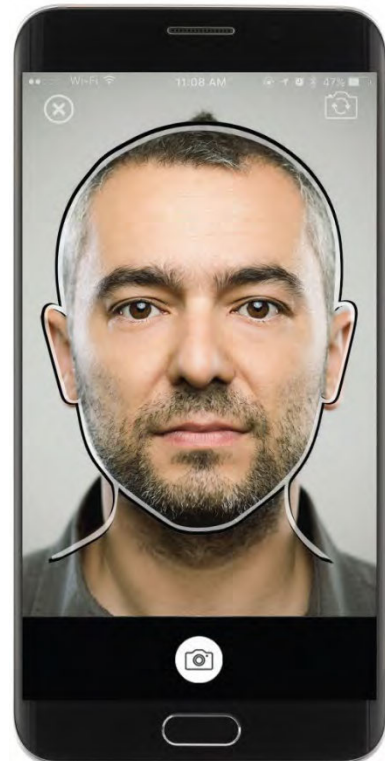
### 3.1.5.7.b. Supervision Tools

#### *i. Check-In:*

The SmartLINK *Check-In* feature provides clients with the ability to periodically check-in. During a check-in, SmartLINK accurately captures the individual's location and a photo to biometrically identify the client. The check-in tool is highly flexible, allowing officers to accommodate various client schedules, including fixed and random schedule options. Specific use cases include:

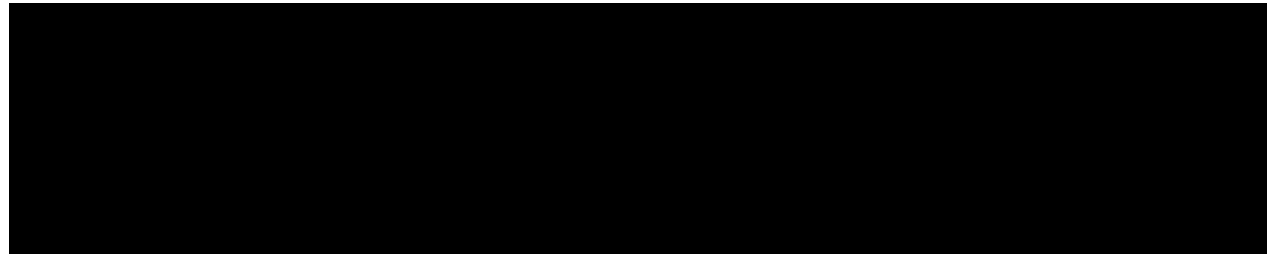
- Officers or other City staff can schedule a biometric check-in that can be processed against any GPS Inclusion Zone to confirm presence or absence at required locations.
- Authorized personnel create customized schedules that best suit varying client populations. For example, schedules that are specific to approved work activities, counseling, or other agency-mandated activities.
- If agency personnel believe the client may be partaking in noncompliant or illegal activities, the officer can initiate an on-demand check-in request from within TotalAccess or TotalAccess Mobile.
- Clients have the ability to check-in at will and on their own accord if they so choose—check-ins do not always need to be initiated by the officer.

In addition, the SmartLINK mobile application is equipped with a *Calendar Check-In* feature that allows agency personnel to combine the check-in process with a mandated client activity—such as counseling or community service. This is accomplished via



**Figure 89. SmartLINK Check-In**  
During a SmartLINK Check-In, the application biometrically confirms the participant's identity and captures a GPS point.

appointment location with verification. For example, the agency can use the *Calendar Check-In* feature to confirm a client completed certain activities as required.



The following table provides additional confirmation of BI's compliance with RFP requirements specific to check-in activities.

Table 45. SmartLINK Check-In Features		
#	RFP Requirement	SmartLINK
a.	The mobile application must biometrically verify client identity and location through fixed or randomly scheduled check-ins.	✓
b.	The mobile application should offer multiple options for biometrically identifying clients, including facial and voice biometric technology. <sup>5</sup>	✓
c.	Agency personnel must be able to confirm that clients are compliant with location and curfew through the mobile application.	✓
d.	The mobile application must collect a GPS point during client check-in to confirm the location of the client.	✓
e.	The mobile application must be able to process the GPS point collected during a client check-in against the address of a required location at a specific time.	✓

**ii. Self-Report:**

The SmartLINK *Self Report* feature allows the client to inform agency personnel quickly of significant life changes—such as change of address, employment, program violations, arrests, and contact with law enforcement. BI also provides agencies the option of creating their own customized questions at the customer, agency, caseload, or client levels. If the agency mandates the client to submit biometric check-ins, SmartLINK requires that the client complete the application check-in process after self-report information is submitted from the individual's mobile device. For example, City or Participating Public Agency personnel can use the *Self Report* feature to manage and maintain contact with lower risk clients who do not require frequent office visits—as well as supplement face-to-face visits with higher risk clients.

The table below provides additional confirmation of BI's compliance with RFP requirements specific to *Self Report* activities.

Table 46. SmartLINK Self Report Features		
#	RFP Requirement	SmartLINK
a.	The mobile application must provide a means for clients to report significant life events (such as address changes, employment updates, program violations, arrests, and contact with law enforcement).	✓
b.	The mobile application must complete a biometric check-in, complete with GPS point collection, upon completion of the self-report activity.	✓

<sup>5</sup> Biometric voice verification available at an additional cost.

**Table 46. SmartLINK Self Report Features**

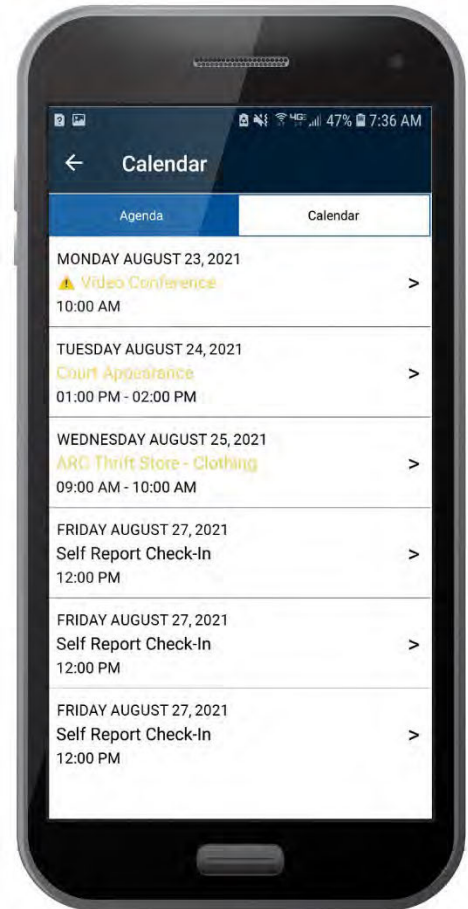
#	RFP Requirement	SmartLINK
c.	The mobile application must allow agencies to create their own questions to be asked to a client.	✓

**iii. Calendar**

The SmartLINK *Calendar* feature displays the client’s scheduled appointments and services—such as court dates, case manager meetings, and curfew restrictions—and provides the client with automated, agency-designated reminders. Use cases and features of this capability include:

- From within TotalAccess, agency personnel enter the client’s scheduled appointments and services into the system and designate when the SmartLINK mobile application will provide automated reminder notifications to the client.
  - The officer may require clients to acknowledge SmartLINK reminders. This promotes compliance and ultimately supports public safety.
- The client taps on an individual *Calendar* entry to review details such as the time of the appointment and the address and phone number of the provider.
- Clients can also submit a schedule change to their officers through the *Calendar* feature. Once a schedule is approved or denied, the client receives a push notification of the result. Changes are automatically updated in TotalAccess if approved, reducing the need to manually add schedules for clients or submit email, paper schedules, or report in-person to drop off a change request.

The table below provides additional confirmation of BI’s compliance with RFP requirements specific to calendar activities.



**Figure 90. SmartLINK Calendar**  
The ability to remind clients of upcoming appointments and services helps support compliance with supervision conditions.

**Table 47. SmartLINK Calendar Features**

#	RFP Requirement	SmartLINK
a.	The application must allow officers to create calendar events of upcoming appointments, such as court dates, officer meetings, and counseling sessions.	✓
b.	The mobile application must automatically send the client reminders of scheduled events.	✓
c.	The calendar and appointment reminder features must be flexible and easily customized by the officer.	✓

**Table 47. SmartLINK Calendar Features**

#	RFP Requirement	SmartLINK
d.	The mobile application must provide officers with the option to link biometric check-ins to calendar events to verify attendance at required activities	✓
e.	The mobile application must provide officers with the option to require that a client acknowledges an upcoming appointment on their calendar.	✓

*iv. Messaging:*

**Text Message Features**

The SmartLINK Messages feature allows agency personnel and clients to securely communicate via text-message-like conversations. All conversations are available for review in TotalAccess. Officers may use mass messaging to notify any number of clients at one time, and the agency may communicate with clients from TotalAccess Mobile or web-based TotalAccess. Multiple officers and authorized personnel can send messages to each client, and each message indicates which user sent the message.

Use cases and features of this capability include:

- The client sends a SmartLINK message, and the system records the message in TotalAccess or TotalAccess Mobile for agency review. This mitigates the potential nuisance of an abundance of client messages being sent directly to an officer’s mobile device.
- From within TotalAccess or TotalAccess Mobile, agency personnel review the historical record of sent and received messages. All messages are timestamped and display delivery/read receipts. This information can be used as documentation of client behavior during the monitoring period or be presented as evidence in court, if needed.

**Video Conference Features**

BI TotalAccess Mobile and BI SmartLINK feature enhanced communication through secure, officer-to-client video conferencing. A record of all communications is stored indefinitely in TotalAccess.

BI finds that our public sector partners leverage this tool for:

- Complimenting/reducing field contacts
- Conducting remote supervisions/visits
- Addressing client noncompliance
- Following up on alerts
- Troubleshooting equipment
- Supporting medication accountability



**Figure 91. Video Conferencing**  
Officers can initiate video chats with clients from TotalAccess Mobile, allowing for face-to-face contact without requiring clients to rearrange their schedule to visit the office.

The following table provides additional confirmation of BI’s compliance with RFP requirements specific to messaging activities.

**Table 48. SmartLINK Messaging Features**

#	RFP Requirement	SmartLINK
a.	The application must contain a messaging feature that allows two (2) way communication between officers and clients.	✓

**Table 48. SmartLINK Messaging Features**

#	RFP Requirement	SmartLINK
b.	All messages must contain a date and time stamp associated with each communication. The content of the messages and associated time and date stamp must be easily retrieved and reviewed within the Contractor(s) electronic monitoring software.	✓
c.	All messages must contain delivery and read receipt information.	✓

**v. Documentation:**

a. The mobile application must allow clients to upload documents, such as employment and court information, into the Contractor(s) electronic monitoring software. These documents must be captured as photographs that can be easily reviewed by agency staff.

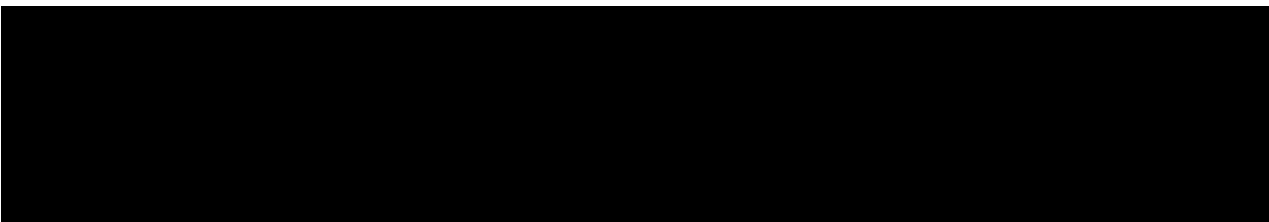
The SmartLINK *My Documents* feature allows clients to capture documents—such as education, employment, or court documentation—as high-resolution photographs and then submit (upload) this information directly to City personnel. All uploaded documents and photographs are automatically stored in TotalAccess. More than 40 document types or photos can be managed through BI TotalAccess.

The following table provides a sampling of document types.

**Table 49. SmartLINK My Documents**

Category	Type		
Attendance Verification	AA/NA Meetings	Treatment groups	Places of employment
	Job searches	Religious services	Approved travel
	Day Reporting Center attendance		
Documentation	Work schedules	Bank statements	Business cards
	Furlough verification	Paystubs	Medical paperwork

In addition, officers can upload documents from TotalAccess Mobile for participant review in SmartLINK.



**vi. Client Tools**

SmartLINK includes a *Resource* feature that has the ability to connect supervised individuals to local resources, programs, and services. The *Resources* feature contains a searchable directory of City-identified service providers within the local community, and categorizes local providers to help clients easily find services. When the clients tap on a resource from their smartphone, SmartLINK displays the provider’s hours of operation, address, and telephone number. Using phone mapping and call features, the SmartLINK mobile application allows the client to view a map with “turn-by-turn” directions to the provider location and telephone the identified point of contact from within the application.

Specific use cases and features of this module include:

- From within TotalAccess, City personnel add the desired resources and assign community referral(s) to a client.
- The client views information about each assigned resource—including address, phone number, hours of operation, point of contact, website, a map of the location, and a button to call the provider.
- If a significant event occurs—such as a medical or family situation—the client can access City-approved resources.

The table below provides additional confirmation of BI’s compliance with RFP requirements specific to client resources.

**Table 50. SmartLINK Client Resource Features**

#	RFP Requirement	SmartLINK
a.	The mobile application should list agency-approved service providers for housing, medical, employment, and other essential services.	✓
b.	Listed resources within the application should contain contact information of service providers.	✓
c.	Clients must be able to directly call service providers from within the mobile application.	✓
d.	The mobile application must include access to a Contractor(s) dedicated twenty-four (24) hours a day, seven (7) days a week, three-hundred and sixty-five (365) days a year call center.	✓
e.	Clients must be able to retrieve and review conditions of supervision at any time from within the mobile application.	✓

### 3.1.5.8. Data Analytics Software

When the client is being actively monitored with GPS technology, a single device can collect more than 5,500 location points in a single day. In addition, GPS devices are capable of generating approximately 70 unique events to notify agency personnel of location information, tamper attempts, and equipment status. As a part of day-to-day duties, officers need to quickly manage and accurately interpret vast amounts of GPS data to prioritize caseloads. In addition, administrators and leadership require tools to analyze the health and effectiveness of electronic monitoring programs.



With these needs in mind, BI engineers developed our proprietary Analytic Suite, an optional feature of TotalAccess that uses advanced technologies to analyze the large amounts of data produced by GPS monitoring. The tools within the BI Analytics Suite lets officers to easily identify client patterns and pinpoint risky behaviors—allowing the agency to focus on the highest risk individuals. In addition, the Analytics Suite allows program administrators to quickly view overall program health and officer activities.

TotalAccess includes a fully integrated, powerful data analytics engine that supports the City's decision-making and improve outcomes. BI's robust reporting and software features offer agency administrators enhanced value to reduce program performance risk through more efficient oversight and increased program accountability.

- a. Contractor(s) must provide advanced data analytics software that is fully integrated with proposed electronic monitoring software. This analytical analysis feature should be designed to evaluate trends in client behavior and calculate potential risk.

BI Analytics takes data visualization to the next level—transforming disparate data from a variety of sources into cohesive, useful intelligence upon which decisions can be made. BI Analytics provides reports, detailed client-specific summaries, program oversight reports, and customized reports tailored to the specific needs of managing the agency's electronic monitoring program.

Other providers claim to have analytics software—however, many features touted as analytical are a repackaging of standard monitoring software features BI has always provided as part of TotalAccess. BI employs a team of software developers who perform extensive computational, statistical, and mathematical research necessary to produce predictive outcomes.



**Figure 92. BI Analytics Suite**

Our powerful, integrated Analytics Suite is a crucial data management tool currently in use by some of the largest electronic monitoring programs in the United States.

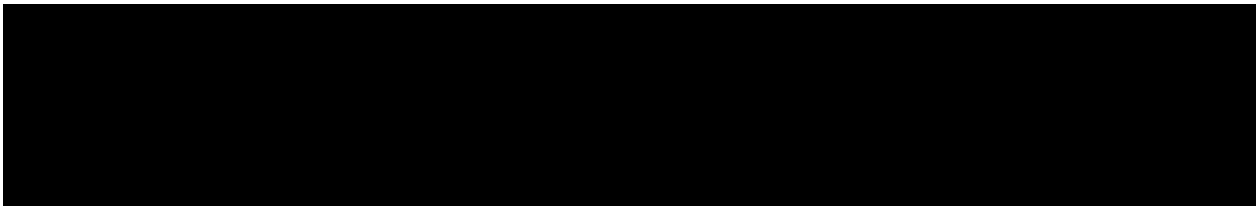
The table on the following page depicts the software features that are standard to TotalAccess and the enhanced features provided to the agency within BI Analytics.



**Table 51. BI Analytics Features**

Feature	Standard TotalAccess	Enhanced Analytics
Travel Route Playback	✓	
Map Zoom Capabilities	✓	
Address Association and Identification	✓	
Shared Location Reports	✓	
Risk-Based Dashboard		✓
Alert Response Analyses		✓
Absconder Analysis		✓
Address Proximity Analysis		✓
Enhanced Stops Analysis		✓
Risk-Based Zone Creation		✓

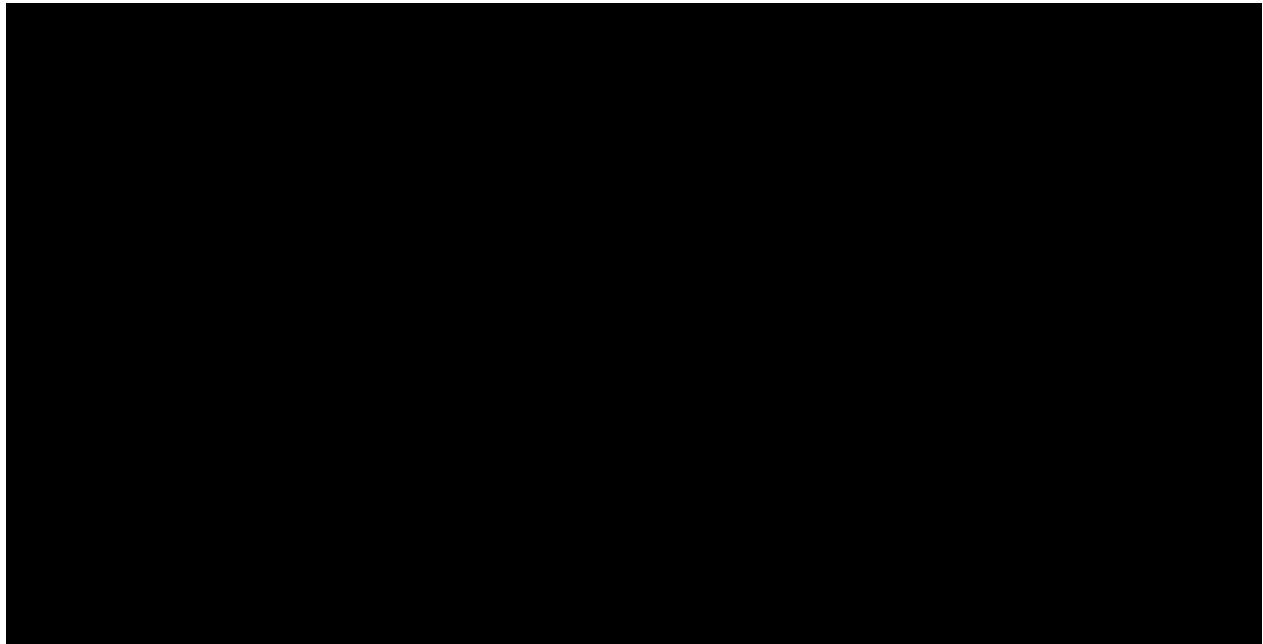
Throughout the evaluation of vendor analytical software, we encourage the agency to compare the advanced analytical features provided by BI against the software provided by competitors. Few, if any, providers have the capability to provide the advance features contained within BI Analytics.



**3.1.5.8.i. Analyzing Alert Actions**

*b. The Contractor(s) must provide analysis tools that promote officer work efficiency by providing agency supervisors and leadership with performance metrics. The analysis should provide key metrics correlated with officer productivity based on alert actions.*

Supervisory personnel need tools to rapidly determine program and officer efficiency. Evaluating officer effectiveness allows the agency to determine if an officer is overwhelmed or is not following alert closure protocols. Analytics Alert Response Reports detail trends on officers and clients in intuitive graphical formats. For example, supervisory personnel can run officer performance metrics that detail the number of alerts per client, average close time, and alert distribution activities. This information helps the agency identify performance trends for corrective actions and areas to improve. The following figure provides an example of this capability.



**Figure 93. Officer Alert Comparison Analysis**

BI’s Analytics Alert Response Reports summarize officer activities, providing City administrators and leadership with the ability to quickly evaluate program health and officer performance.

**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

Table 52. Analyzing Alert Actions: BI Capabilities		
#	Requirement	BI Capability
i.a.	The agency requires analysis that supports supervisors with monitoring officer efficiencies in managing and responding to alerts.	Officer Alert Comparison Analysis, p.184

**Table 52. Analyzing Alert Actions: BI Capabilities**

#	Requirement	BI Capability
i.b.	The contractor’s software must provide consolidated alert closure information, including: the number of alerts by officer within a specific period; categories of alerts and associated resolution times; and average time of alert resolution.	Officer Alert Comparison Analysis, p. 184
i.c.	The contractor’s software must provide a graphical display that details outliers of alert trends.	Analytics Dashboard, p.184
i.d.	The contractor’s software must be capable of providing consolidated alert closure information that includes: the number of alerts closed by type; the average alert closure time; and an analysis of the five most frequently generated alerts.	Analytics Dashboard, p. 184
c.	The contractor must provide analysis tools that support officer efficiencies in managing electronic monitoring data and large caseloads. The software should analyze historical and recent data to provide officers with information about client risk patterns, identify high-risk clients, and prioritize alert management.	Analytics Dashboard, p. 184
d.	The software should display the results of client data analysis in a visual format. This visual representation to should enable officers to manage higher risk clients at-a-glance.	Analytics Dashboard, p. 184
e.	The software should display a list of clients by officer caseload that are ranked by priority of risk level.	Analytics Dashboard, p. 184

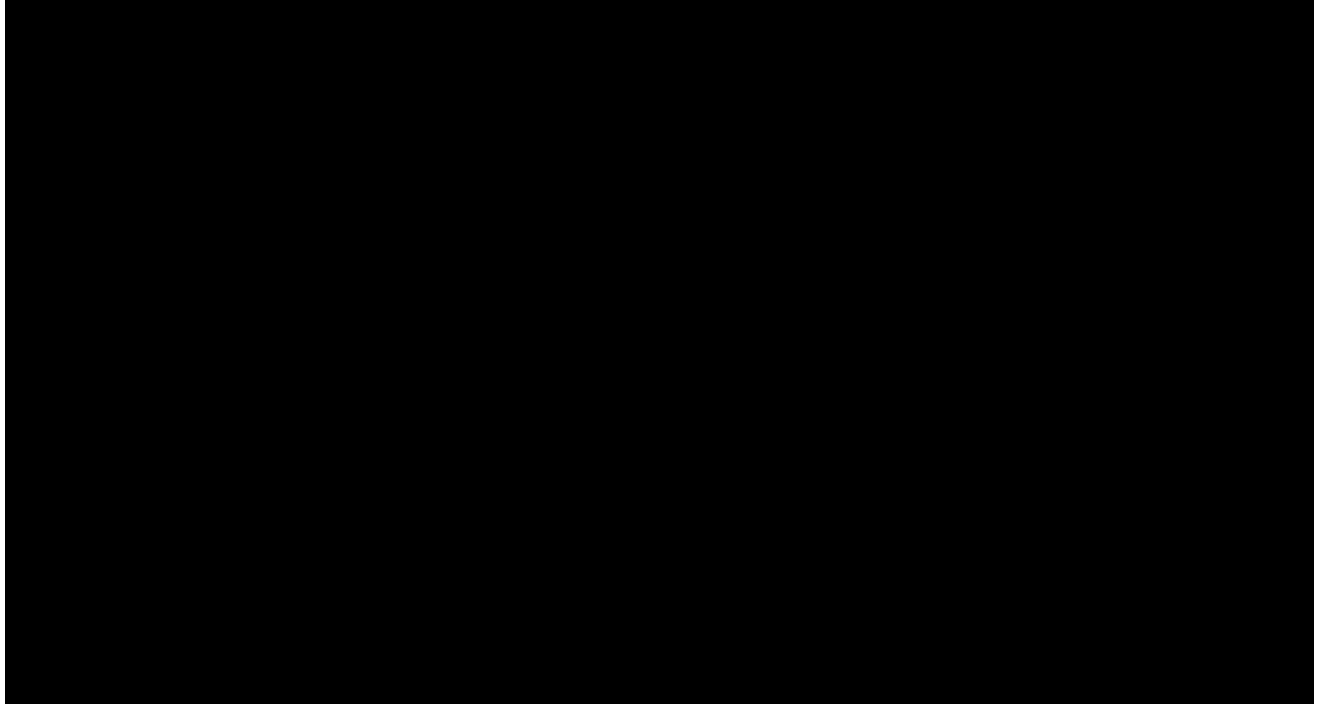
**3.1.5.8.ii. Comparing and Analyzing Alerts**

The Analytics Suite Dashboard appears when officers first log into TotalAccess and provides an immediate summary of caseload information. This dashboard feature provides an easy to understand graphical interface and gives users the ability to triage caseloads and increase productivity. Color-coded tools focus users on the highest-risk clients in order of priority. The BI Analytics Suite uses GPS data and other information to calculate a risk-based score. This score is determined by behavioral information input into TotalAccess by the City, the frequency of equipment related alerts such as tampers and battery related events, and the frequency in which clients do not comply with travel and schedule restrictions.

The Analytics Suite Dashboard was designed to utilize the vast amounts of participant data from TotalAccess to provide graphical views of a caseload based on a combination of participant risk factors. The foundation for its design arose from customer requests for a method to focus agency staff members’ attention and prioritize their daily work to ensure that high risk cases are attended to first to minimize community risk. The figure on the following page provides an example of this Dashboard.

The Dashboard utilizes large quantities of alert/event data from TotalAccess and risk scores (weights) to create analytics that are used to identify high-risk participants and bring forth new insights about participant behavior and history. Alerts can still be worked from within the Dashboard, giving agency staff a priority list of clients to be reviewed. Key features of the Analytic Suite Dashboard include:

- The Dashboard contains the same participant list as the caseload snapshot in TotalAccess, in addition to risk-based calculations based on participant behavior
- The data is real time, but also has 3, 7 and 30-day historical views
- The Dashboard is designed to provide a view of high risk cases based on the following three factors:
  - Agency Risk Level (Level assigned by agency’s assessment)
  - Computed Risk Level (Participant’s compliance with their monitoring program)
  - Alert Status (Open, closed in last 24 hours, or no alerts)



**Figure 94. BI Analytics Suite: Dashboard**

BI Analytics displays comprehensive data in a graphical form that draws attention to highest risk and priority cases. Risk levels are assessed based on live and historic information collected over the past 3, 7, or 30-day periods.

Based on these categories of risk, BI Analytics displays comprehensive data in a graphical form that draws attention to highest risk and priority cases. Risk levels are assessed based on live and historic information collected over the past three, seven, or 30-day periods.

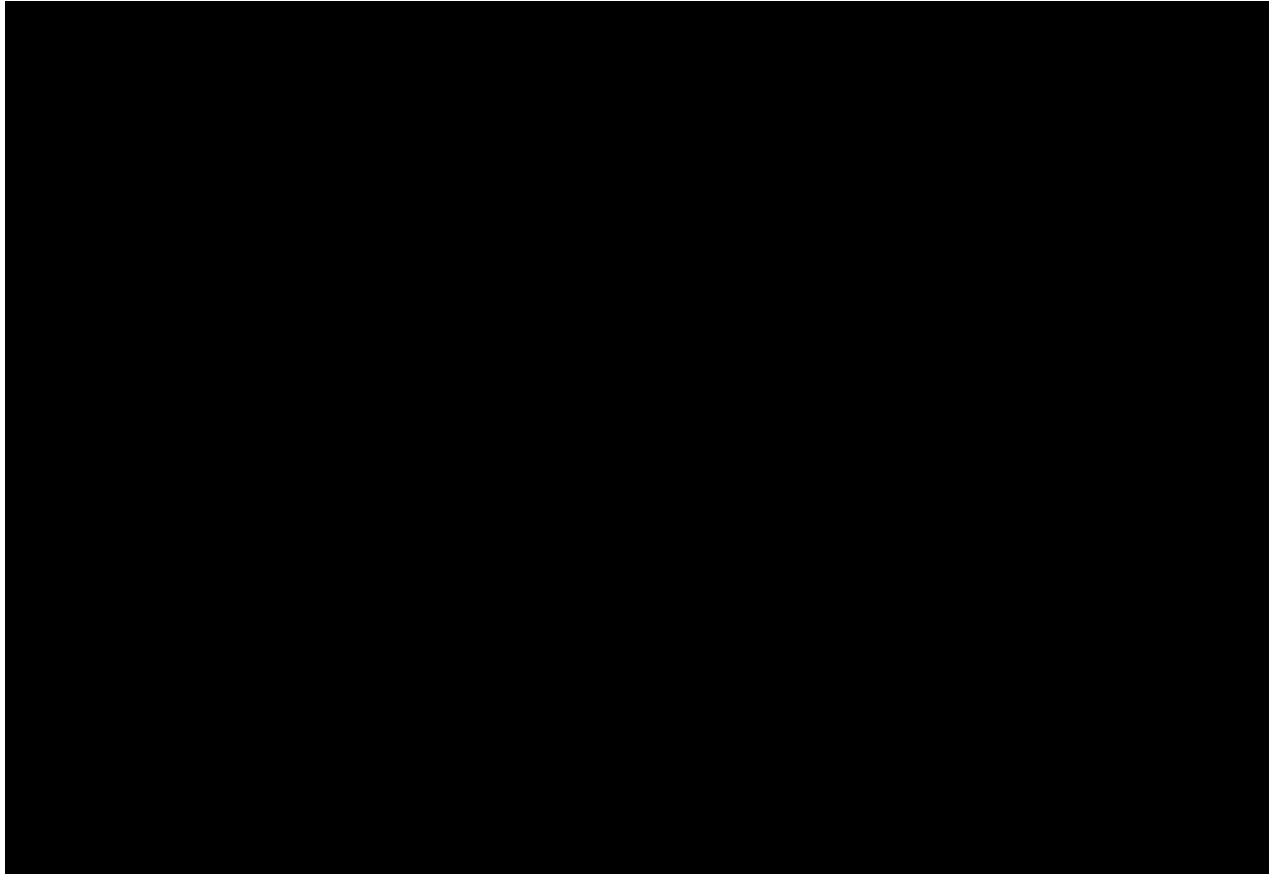
**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

Table 53. Comparing and Analyzing Alerts: BI Capabilities		
#	Requirement	BI Capability
a.	The software should display monitored clients for a specific officer and be able to categorize alert information based on established time periods.	Analytics Dashboard, p.184
b.	The software should easily identify clients that generate a high number of alerts.	Analytics Dashboard, p.184

**3.1.5.8.iii. Analyzing Frequently Visited Locations**

Typically, when reviewing GPS information, the focus of agency personnel is on equipment, zone, and schedule infractions. To glean more information from the GPS location data, agency personnel can use the *Enhanced Stops Analysis* in the Analytics Suite. The *Enhanced Stops Analysis* provides information about where the client frequently stops. This enables users to identify potential areas of risk or concern, such as childcare centers or liquor stores that may not be marked as Exclusion Zones.



**Figure 95. BI Analytics Suite: Enhanced Stop Analysis**

Within TotalAccess, agency personnel can view the address nearest to an area where the client has stopped, the amount of time that transpired during the stop, and nearby businesses. Potential areas of risk are color coded for easy visual interpretation.

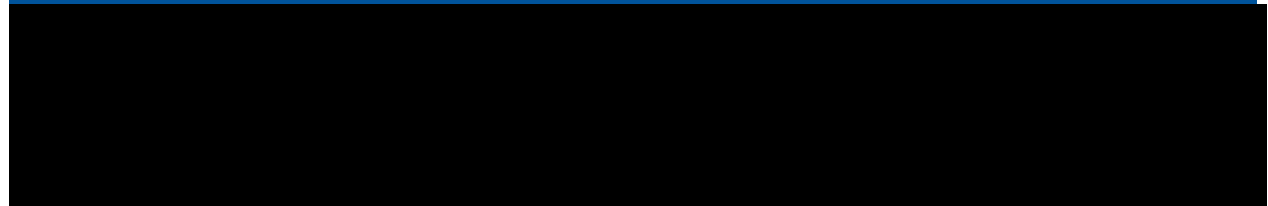
**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

Table 54. Analyzing Frequently Visited Location: BI Capabilities		
#	Requirement	BI Complies
a.	The Contractor(s) software should provide information on the areas and time frames that clients frequently visit or “stop.” This information is critical to determining potential hot spots of undesired activity.	✓
b.	The Contractor(s) software should automatically aggregate data to provide trends in client behavior and determine high risk locations.	✓

**3.1.5.8.iv. Analyzing Areas of Interest**

Similar to analyzing frequently visited locations, when supervising personnel review GPS information to inspect areas of interest, the focus is typically directed towards equipment, zone, and schedule infractions. City personnel can utilize the *Enhanced Stops Analysis* detailed in the aforementioned section to garner additional information from GPS data.



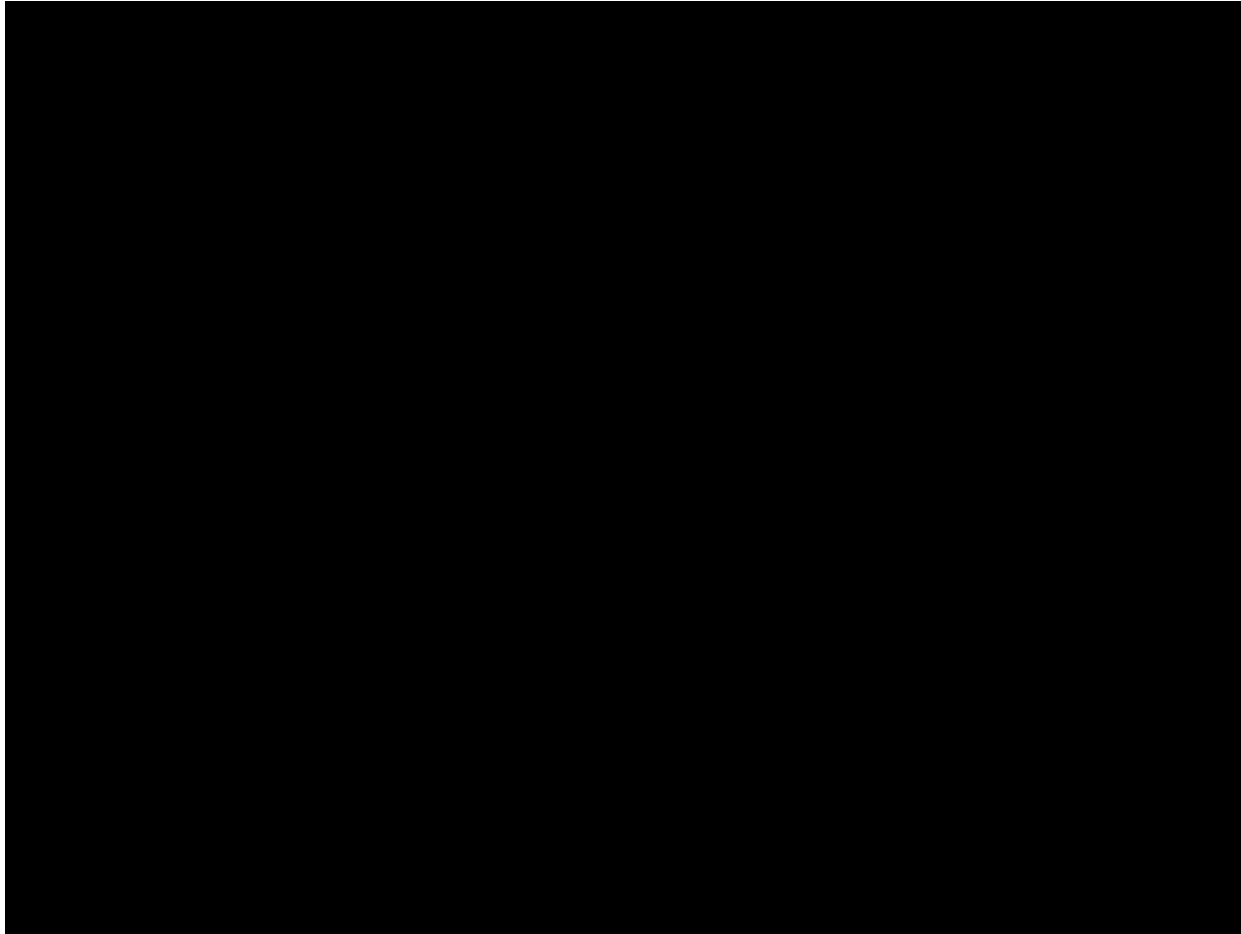
**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

Table 55. Analyzing Areas of Interest: BI Capabilities		
#	Requirement	BI Complies
a.	The Contractor(s) software should provide the ability for officers to search for clients that were in proximity of a specific address at a certain time. This feature is critical to assisting officers with determining which clients were in close proximity to a crime scene, victim, or exclusion zone.	✓
b.	The Contractor(s) software should display all monitored clients that were in a certain area at a predetermined time on a map.	✓

**3.1.5.8.v. Creating Zones Based on Risk Data**

During the client's initial enrollment in TotalAccess, the creation of zones is typically limited to geographic areas, such as home, work, and areas of risk. Zone creation can be improved by taking risk factors specific to the client into consideration. *Risk-Based Zone Creation* allows users to rapidly identify and create Exclusion Zones in TotalAccess based on client risk factors. The BI Analytics Suite identifies potential areas of concern by combining client data and business classification information from external sources. The following figure provides an example of this feature.



**Figure 96. BI Analytics Suite: Risk-Based Zone Creation**

This analysis saves time creating and managing Exclusion Zones by rapidly identify risks specific to the monitored client.

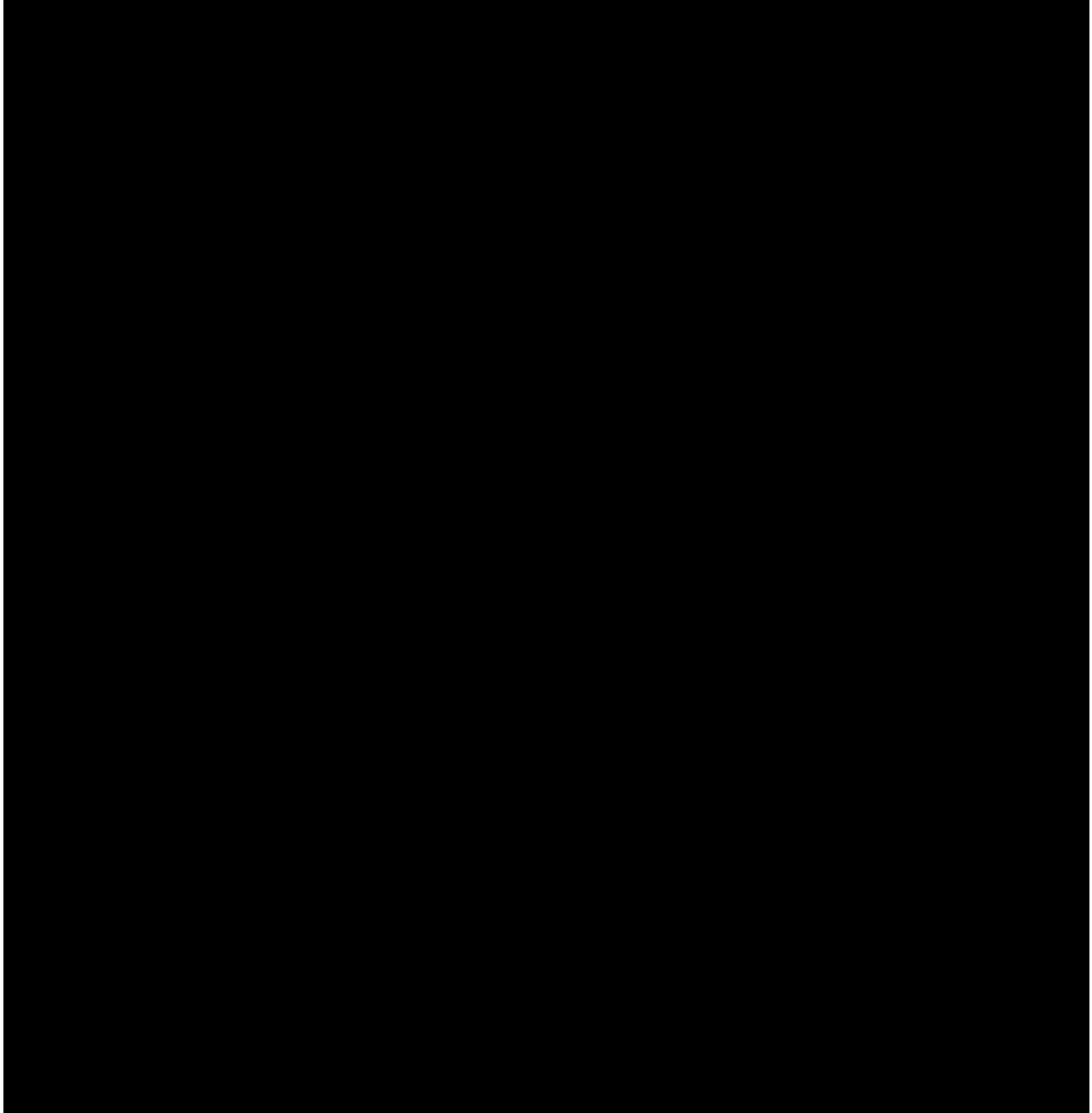
**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

Table 56. Creating Zones Based on Risk Data: BI Capabilities		
#	Requirement	BI Complies
a.	The Contractor(s) software should contain addresses of locations that are considered high-risk. This information should be updated at least quarterly.	✓
b.	The Contractor(s) software should leverage these known risk locations to increase efficiency with exclusion zone creation.	✓

### 3.1.5.8.vi. Identifying Absconder Behavior

As public safety is paramount in any electronic monitoring program, locating clients who have absconded from their court-ordered supervision is of the highest importance. Often times, when clients have absconded, agency personnel do not have the time and resources to systematically review historical client GPS data to determine where the client might be located. *Absconder Analysis* generates a report that details the history of areas where the client frequently visits, or stops, providing officers with another tool to locate missing clients. The following figure provides an example of this feature.



**Figure 97. BI Analytics Suite: Absconder Analysis**

This feature will generate a historical report of areas where the client stops for a definable timespan. Many agencies use this analysis to supplement investigating clients that have absconded supervision.



**Aligning RFP Requirements with Analytics Suite Capabilities**

The following table cross references RFP requirements with BI solutions.

<b>Table 57. Identifying Absconder Behavior: BI Capabilities</b>		
<b>#</b>	<b>Requirement</b>	<b>BI Complies</b>
a.	The Contractor(s) software must generate a historical report that details areas where clients frequently stop for a specified timeframe. The Contractor(s) software must analyze this historical information to identify where the client frequently visits—enabling officers to prioritize enforcement activities when clients have absconded.	✓
b.	The analysis should detail the locations of family, friends, employers, and other locations and the amount of time spent at each location.	✓

### 3.1.5.9. Online Monitoring Software

A powerful software platform that enables the City and OMNIA Partners Using Agencies to access and sort data is critical to a successful electronic monitoring program. Similarly, the agency should consider monitoring software that has robust security features, consolidated access to each officer's caseload, and easy to navigate reporting capabilities. When evaluating electronic monitoring software, many agencies examine the following factors:

- **Secure Transmission and Storage.** Electronic monitoring programs inherently produce sensitive information that must remain confidential. System security is critical for agencies and providers tasked with supervising and monitoring individuals in the community.
- **Access to Information.** Agency personnel need to view caseloads, monitor client activities, and close alerts—without being confined to a desk. Officers require the ability to accomplish these tasks in near real-time from a variety of locations, including in the field.
- **Generate Reports.** As a key aspect of measuring client compliance, agency personnel need to generate and access reports in the office and in the field. Reports must properly capture and consolidate crucial information to help stakeholders identify program trends, monitor equipment usage, track client behaviors, and compile outcomes.



BI TotalAccess, available as a mobile application and desktop interface, supports supervision personnel with monitoring compliance, managing alerts, and running reports. Our cross-platform software solution supports officers regardless of their location. The TotalAccess platform, detailed throughout our proposal and featured within this section, includes advanced, integrated capabilities, for example:

- **Mobile Application.** Designed for community supervision officers, TotalAccess Mobile gives City and OMNIA Partners agencies the ability to perform all critical functions of their job from a smartphone. See *Proposal Section 3.1.5.7* on page 169 for detailed information.
- **Analytics Suite.** TotalAccess has an integrated analytics engine that transforms large amounts of data into actionable information. These capabilities are described in detail in the previous section of BI's response, *Proposal Section 3.1.5.8* on page 182.
- **Integrated Systems.** BI TotalAccess houses all data produced by electronic monitoring devices proposed in our solution. Officers login to a single user interface to track all clients, regardless of the type of device or service in use.
- **Web Services.** BI TotalAccess can fully integrate with the City's or any OMNIA Partners using agency's case management software through our Web Services data integration. We describe this capability in detail on page 69 within *Proposal Section 3.1.4.1*.

### Experience with Implementing Monitoring Software Advancements

BI invests heavily in product development, Agile software development, emerging technologies, continuous improvement processes, and service enhancements that best support agency programs. The table below exemplifies our ability to develop and implement innovative technologies and services.

**Table 58. Software Development Efforts**

Innovation	Demonstrated Value
<b>Analytics Suite</b>	Helps agencies assess client behaviors and take appropriate action
	Calculates client risk level to help agencies prioritize caseloads
	Dashboard of current and historic equipment usage, client behavior, and travel status
	Uses geographic and spatial technologies to correlate GPS activity for multiple clients
	Displays client travel patterns, including proximity to critical areas
	Automated statistical analysis of client and officer data with a visual presentation
<b>SmartLINK</b>	Downloadable smartphone application to foster client compliance and community
	Agency selects combination of features to customize for each client
	Participant uses application from their personal smartphone or tablet
	Can be used with or without other electronic monitoring technology to create a continuum of efficiency for the officer and support for the client
<b>NextGen TotalAccess</b>	Next generation of TotalAccess is our recently redesigned user interface to maximize the user experience and improve workflows
	Scalable architecture uses modular components to develop a customized
	Introduced key features based on customer feedback such as the User Dashboard, Case Notes and Enhanced Alert Navigations
	One click navigation allows users to export caseload statistics, agency data and key metrics and case management tracking
<b>TotalAccess Mobile</b>	Downloadable application allows officers to perform all essential duties from their phone
	Video conference with clients assigned to SmartLINK application
	Document equipment checks with officer's location, date and time
	View the GPS points of clients and find clients near the officers' location
	Full capabilities to manage all client schedules, alerts and electronic monitoring equipment

BI Product Management, Research and Development, Applications, Quality Assurance, and Labs personnel focus on designing and implementing technology innovations. However, we encourage any of our company employees—at any level within our organization—to submit new ideas and contribute to the evolving success of BI solutions.

*Software should be provided as one interface from which to manage an entire caseload, and support all products within this RFP, to include all variations of radio frequency, GPS, and alcohol monitoring equipment. Software should be available twenty-four (24) hours a day, seven (7) days a week, three-hundred and sixty-five (365) days a year from any web-enabled computer, smartphone, or tablet. Software, and the associated server/hardware system should be geographically redundant, and both the primary and backup servers located within the United States of America.*

Designed for maximum flexibility and usability, TotalAccess provides agency personnel with 24/7/365 access to all electronic monitoring data for every type of technology proposed by BI—including RF, GPS, and alcohol monitoring equipment. TotalAccess is highly customizable, capable of sending automated notifications in accordance with agency procedures, and includes more than 40 predefined reports. As a web-based application, authorized users can login to TotalAccess from any computer, smartphone, or

tablet. BI confirms that our monitoring computer architecture is geographically redundant and entirely based in the United States (see *Proposal Section 3.1.4.6* on page 69).

Additional advantages and features of TotalAccess include:

- **Fully Functional Mobile Application.** Available on Apple and Android devices, TotalAccess Mobile places the power of our web-based software in the hands of officers in the field. Optimized for mobile devices and developed by BI engineers based on user feedback, TotalAccess Mobile enables officers to effectively manage alerts, modify schedules and zones, locate nearby clients, and many other features.
- **View GPS Data and Location Maps.** The ability to create custom GPS zones and monitor client locations at all times are powerful software features that play a central role in the success of the electronic monitoring program.

**Figure 98. TotalAccess Mapping Capabilities**

TotalAccess uses Google Maps to display client movements and geographical information—providing the most up to date satellite imagery available. TotalAccess allows authorized personnel to display GPS points, view corresponding alerts and events, request an on-demand client location fix, and view zones.

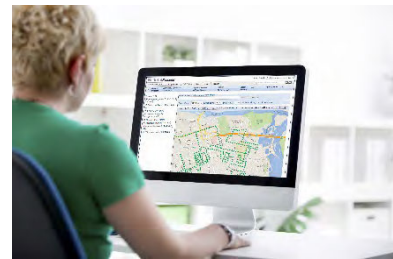
- **Useful Reports.** TotalAccess includes standard reports to help the agency review client activities, alert summaries, and caseload statistics. TotalAccess reports provide critical information on a variety of program metrics—including inventory levels and program trends.

- TotalAccess reports include compliance information—such as number of tampers generated, Inclusion and Exclusion Zone violations, and terminated clients. With multiple designations available within the software, TotalAccess allows agency personnel to indicate reasons for client termination from the program—for example, successful, unsuccessful, and administrative discharges.
- **Alert Notifications.** Automated alert notifications allow the agency to respond to critical situations in a timely manner—enhancing public safety and driving client compliance. TotalAccess also prioritizes alerts to direct officer priorities and increase efficiencies. From within the software, agency personnel can view, process, and close alerts; view the status and the history of alerts and events; and note trends in client behaviors and compliance.
- **Virtual Security Measures.** Web-based information systems must securely maintain sensitive data. BI does not compromise on data security and protection. TotalAccess incorporates various protocols at the user-level that comply with industry standards—including password expiration, authentication through Okta, maximum login attempts, and forgotten passwords.
- **Electronic Database of Client Information.** TotalAccess is designed to be a secure repository of all client information required to administer an electronic monitoring program. To best support searching and sorting of data fields, TotalAccess incorporates a universal database search feature based on the best practices used by Microsoft and Google. For example, users can enter the client’s name, equipment number, or supervising officer in the TotalAccess search engine to locate the desired information quickly.

**3.1.5.9.a. Accessibility**

*i. Contractor(s) should provide software that can be accessed twenty-four (24) hours a day, seven (7) days a week, three-hundred and sixty-five (365) days a year from any device.*

BI TotalAccess is a comprehensive, easy-to-use, web-based software platform that supports the full BI continuum of RF, GPS, alcohol monitoring, smartphone applications, and voice identification technologies. Authorized agency personnel can use TotalAccess as a single, consolidated software suite for all monitoring tasks, 24/7/365. Officers do not need to toggle between multiple interfaces for different equipment types. Available for both Android and Apple iOS, TotalAccess Mobile allows users to perform their primary duties in the field. TotalAccess Mobile places critical program data in the hands of agency personnel—regardless of location.



**Figure 99. Easy to Use**  
 BI’s TotalAccess allows officers to perform all tasks related to supervision from our web-based, easy to use monitoring platform.

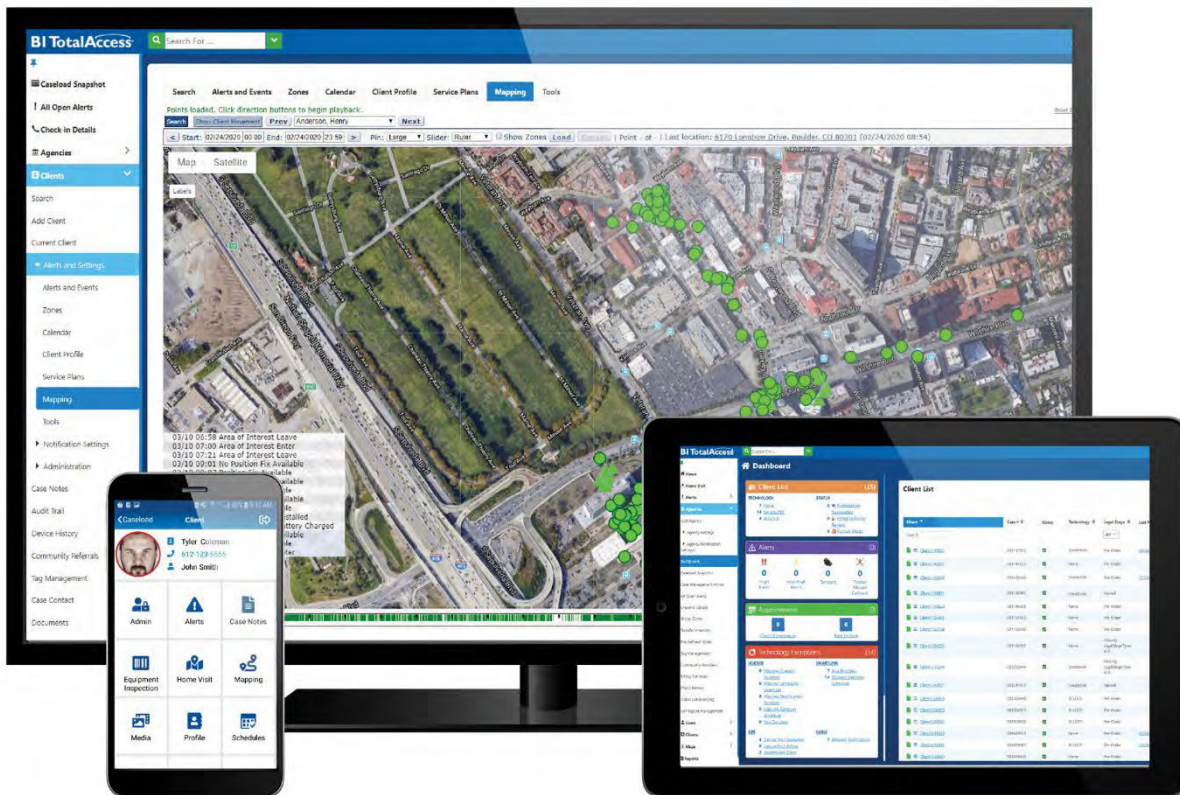
*ii. Contractor(s) should not use third-party software or make plug-ins required.*

As a single source solution, BI confirms that TotalAccess does not require third party software or any plug-ins. Our system is completely integrated and web-based. TotalAccess does not require installation on, or modification of, the agency’s computers to function properly. Authorized users can login to TotalAccess via any device with internet access, including PCs, laptops, smartphones, and tablets. The user interface is compatible with Google Chrome, Microsoft Edge, and current versions of common web browsers. BI does not compromise on data security and password protection. From within TotalAccess, users can view screens, print reports, enroll clients, and modify client information.

*iii. Contractor(s) should be required to have software web interface on one (1) platform, be user friendly and easy to use.*

BI designed TotalAccess for use in community supervision programs, with the needs of officers and other administrators in mind. TotalAccess offers a single web interface, on one platform, for all solutions detailed within this proposal. Examples of specific features that demonstrate how TotalAccess is an easy to use, intuitive solution include:

- **Highly Accessible.** City personnel can login to TotalAccess from any web-enabled device, or from the TotalAccess mobile application. The software updates in near real-time and includes several timesaving features designed for users in the field. For example, an officer can close an alert with a single click, and a supervisor can receive a prompt notification of the update.
- **Adding Clients.** Authorized staff can easily enroll clients in TotalAccess by entering key client demographic, equipment, contact, and other data points directly into the software. Specific enrollment processes vary based on the type of monitoring equipment in use; however, as a consolidated platform, TotalAccess maintains all client information from a single interface. Because TotalAccess is a web-enabled solution, authorized personnel can perform the above-mentioned tasks from the field using TotalAccess Mobile, including enrollment.



**Figure 100. Accurate, Timely Monitoring Data**

TotalAccess provides comprehensive monitoring capabilities—all from a single software—to support officer efficiencies, provide detailed data analysis, and support compliance and enforcement priorities.

- **Entering Client Schedules.** The TotalAccess calendar interface shares the same features as common calendar applications. Users can easily drag, click, and modify client schedules in an intuitive manner. In addition, users can accept schedule change requests submitted by clients via SmartLINK.
- **User Dashboards.** Officer can quickly prioritize their attention by viewing the detailed at-a-glance dashboard that reduces manual navigation of the software. This feature is in development and will be released to City personnel during the next contract term.
- **On Demand Reporting.** Authorized City staff can easily run a wide variety of reports on-demand within TotalAccess. Users can export report information into Microsoft Word, Excel, CSV, or PDF formats.

### 3.1.5.9.b. Reporting

*i. Contractor(s) should be able to enroll and inactivate clients from software in an efficient manner, with ease.*

---

From within TotalAccess, authorized personnel can easily perform all tasks associated with operating a successful Offender Monitoring Program, such as enrolling and inactivating clients.

*ii. Agency should require software that can view and process alerts, view, enter and modify data including zones, schedules, and client demographics, enter violation procedures, customize violation notifications, and pair alerts.*

---

As a single, consolidated software platform, TotalAccess provides users with the convenience of monitoring their entire caseload from a streamlined interface. Users can perform all monitoring tasks from within TotalAccess, including:

- Viewing, processing, and documenting notes related to alert processing and closure
- Entering, modifying, and reviewing monitoring data, including:
  - Zones associated with GPS tracking, such as Exclusion and Inclusion Zones
  - Curfew monitoring schedules associated with GPS, RF, and alcohol monitoring solutions
- Accessing and modifying client demographic data, including photos, employment/school information, and contact information
- Viewing and modifying violation procedures, including the agency's procedures for processing/escalating alerts
  - This ability is limited to certain users with appropriate privileges
- Pairing alerts to reduce false positive notification—for example the City can dismiss events that occur in rapid succession, such as enter and leave events that are generated within 2-3 minutes
  - This ability is limited to certain users with appropriate privileges

*iii. Agency should require software that is capable of assigning multiple equipment and application types to a single individual.*

---

Users can login to TotalAccess from any web-enabled device. Within TotalAccess, users can perform a variety of monitoring tasks—including assigning multiple equipment types to a single participant.

In addition, users can alter monitoring information, such as zones and schedules. As a web-based software platform, TotalAccess provides a remote and automated capability for accessing the monitoring system data to view, print, and download information, including all reports. Officers only need to be trained on one interface that translates across multiple platforms and devices.

*iv. Agency should, at a minimum, require software to have functionality to create Standard and custom reports, have the ability to export to Word, Excel or PDF, and schedule one (1) time or recurring reports.*

---

TotalAccess provides a variety of automatic, standard reports to review client activity, alert summaries, caseload statistics, activity history, and inventory status. Reports can be exported to a variety of applications including Word, Excel, or PDF documents. In addition, users can schedule report deliveries to designated email and future dates, supporting report routing that is fully automatic, paperless, and eliminates human intervention. Reports are categorized by client, by staff, by office, and equipment.

TotalAccess includes more than 40 predefined reports that provide frequently needed information and for managing all aspects of a caseload. These reports are automated and do not require human intervention. The agency can generate reports at any time and schedule reports for automatic delivery by email. Most reports take less than a minute to run, and users can save reports to a hard drive or email them with the

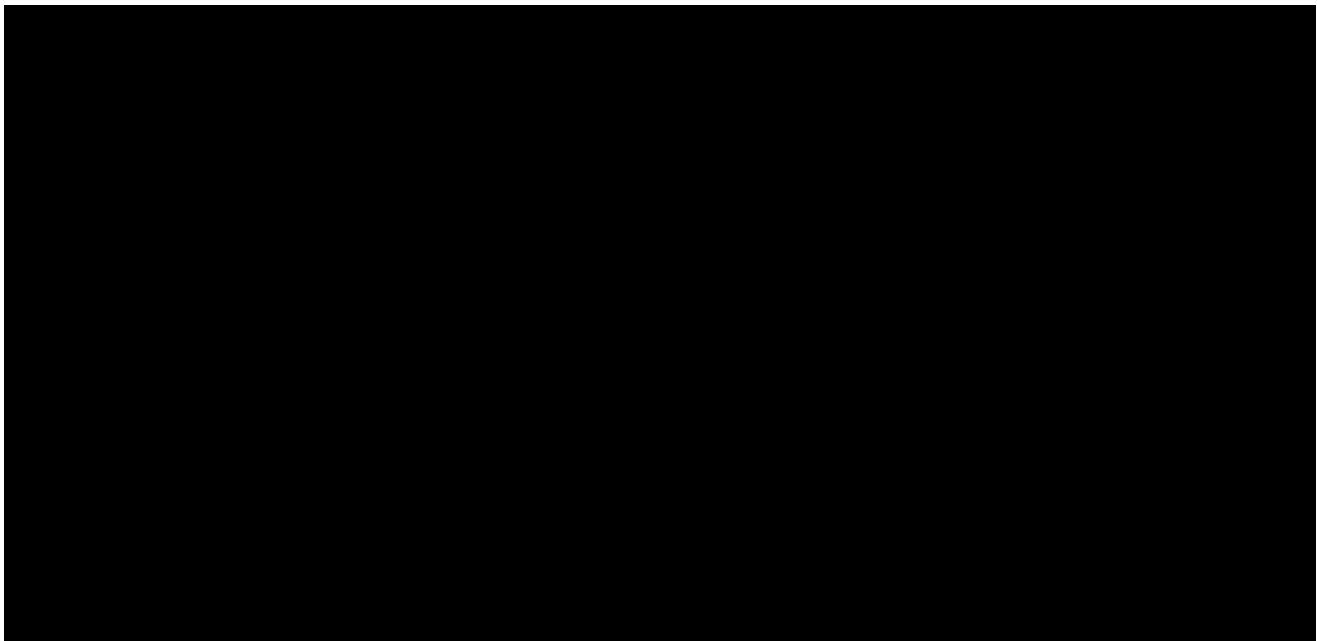
click of a button. BI's TotalAccess predefined reports are listed in Table 28. Predefined TotalAccess Reports on page 99.

*v. Contractor(s) software should automatically dispatch a notification of a violation to one (1) or more designated personnel. Notifications shall be sent via phone, fax, email, page, text message, as designated by the agency with options for immediate, business hours, after hours or agency recognized holidays, next day, or next business day notification.*

Equipped with advanced notification capabilities, TotalAccess contains the parameters and schedules for each individual client to facilitate alerting designated personnel of violations. Upon receipt of an event, TotalAccess automatically compares equipment messages with the client's monitoring conditions and automatically generates alert notifications in accordance with pre-established agency procedures. The agency can customize alert notification processes, including:

- Determine how specified personnel will be notified—TotalAccess can deliver alert notifications via text, phone call, email, page, and/or fax
- Distinguish between high-priority alerts and lower-priority events
- Determine how much time should elapse before TotalAccess delivers a notification
- Determine which personnel will receive notifications—TotalAccess can notify multiple persons simultaneously
- Establish escalation processes that prompt TotalAccess to automatically deliver a series of staggered notifications to a specified contact list
- Pair specific equipment events together in order to receive a notification when both of the paired events occur within a specified period of time—this helps reduce false or nuisance alerts
- Customize notifications for a specific officer or client
- Create notification schedules that accommodate an officer's temporary assignments, weekend coverage, and holiday duty

The figure below provides an example of TotalAccess Alerts and Events Page.



**Figure 101. TotalAccess Alerts and Events**

BI understands the importance of receiving prompt notification and prioritizing certain alerts, and TotalAccess has the capability of sending alerts to multiple entities. BI's equipment records the date and time when an equipment event occurs. The equipment communicates this information to TotalAccess from the field, and TotalAccess records the date and time of receipt.



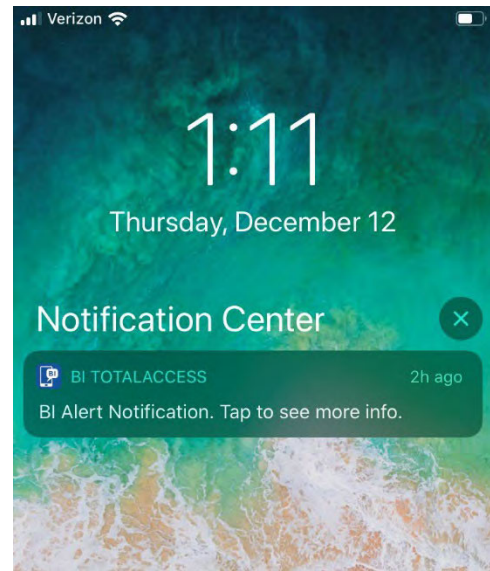
Our monitoring system manages the automated notification process by sending alert notifications in accordance with agency-designated procedures. The system can promptly deliver multiple automated alert notifications via email, text message, and/or push notifications to a mobile device.

In addition, TotalAccess Mobile allows officers to quickly respond to alerts while in the field. After receiving a push notification, an officer can view alert information within TotalAccess Mobile. All vital information is available at the officer's fingertips to shorten officer response times and increase awareness of noncompliance. Officers can also adjust the client's schedule, enter a comment, close alerts, and view notification history.

*vi. The software shall differentiate GPS points when a violation has occurred.*

TotalAccess uses unique symbols, color coding, and other features to help authorized personnel easily and quickly determine client compliance. Specific features of TotalAccess that support this capability include:

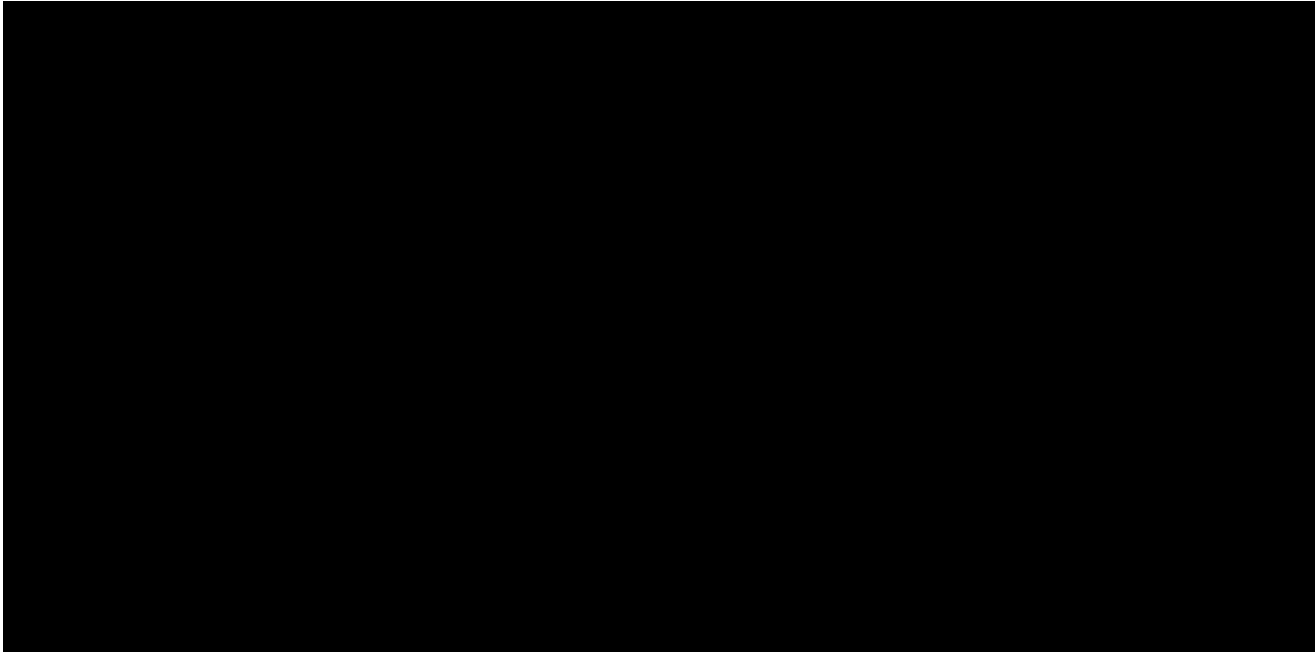
- GPS points match the color of the zone when the client is within a specified area; for example, when a client enters an Exclusion Zone, the GPS point associated with that location is red
- Event *Auto Scroll* allows users to view alerts, events, and location points on the map to help determine when the client is in violation
- The *Gradient* option uses different shades of green to indicate where each displayed point falls within the total timeframe selected
- The *Ruler* option displays the color of the client's points in accordance with the color-coded zones associated with the GPS points
- Three different symbols visually distinguish between recorded GPS, Wi-Fi, and cellular tracking points, and the Wi-Fi location points on the displayed map



**Figure 102. TotalAccess Mobile**

TotalAccess Mobile sends push notifications to officers in the field to ensure prompt response to violations.

The following figure demonstrates mapping capabilities available in TotalAccess.



**Figure 103. Detailed GPS Point Information**

Agency personnel can review GPS points on street and aerial map views. Users can also create individual zones around local landmarks such as liquor stores, bars, or other higher risk establishments to receive notification of violations.

*vii. Agency should require that software allow officers with GPS caseloads to create circular, rectangular, and polygon shaped zones, that can be easily modified as necessary.*

Through TotalAccess, agencies can create, delete, and modify zones, as well as apply schedules to the zones, at any time. Officers can create zones of any shape, including zones that are circular, rectangular, or polygons. TotalAccess provides extensive zone creation functionality designed to accommodate complex client schedules and reporting conditions. The following figure summarizes these capabilities.

Available zone types include:

- **Primary Location Zone.** A Primary Location Zone can be created around the client's residence or primary location. The client is required to stay in the Primary Location Zone at all times unless scheduled to leave for work, school, or other permitted activities. A May Be Away schedule can be created for times when the client is allowed to be away from the Primary Location Zone.
- **Inclusion Zones.** The client must remain within a Mandatory Inclusion Zone during specified times. For example, the client may be required to remain at work between 09:00 and 17:30. If the client leaves work during this time period, the system generates an alert.
- **Exclusion Zones.** Exclusion Zones are areas the client may not enter at any time. For example, the client may be required to stay at least one mile away from a specific address or predefined locations such as schools.
  - **Buffer Zones.** TotalAccess automatically creates 1,000-foot Buffer Zones around all Exclusion Zones. When a client crosses into a Buffer Zone, it does not constitute a zone violation, but the



**Figure 104. Zone Types Available in TotalAccess**

BI training sessions include creating and modifying client zones and associated schedules to ensure TotalAccess users are familiar with this component of the application.

device increases its GPS collection rate to once every 15 seconds. The device will then report into the central monitoring computer once per minute, providing agency personnel with up-to-date location information on the client.

- **Areas of Interest.** An Area of Interest is a zone that the client may enter and leave without generating a violation. An example of an Area of Interest Zone is a home where the client needs to drop off or pick up children at specified times on certain days. At all other times the home would be off limits. TotalAccess records “Enter” and “Leave” events, allowing personnel to track the client’s movements in the specific area without generating alerts.
- **Master Inclusion Zones.** The client must remain within a Master Inclusion Zone at all times. Examples of Master Inclusion Zones are counties and states. Only one Master Inclusion Zone can be designated per client. Users can set up Inclusion Zones, Exclusion Zones, and Areas of Interest within a Master Inclusion Zone. BI’s monitoring system generates an alert when the client leaves the Master Inclusion Zone.
- **Group Zones.** As a significant benefit, TotalAccess also includes a Group Zone feature. Group Zones allow agencies to quickly assign pre-established zones on an agency-wide basis or for specific client populations. Using TotalAccess, an agency administrator first creates and saves the desired zones around each location. Then, whenever agency personnel enroll a client, they can simply select the appropriate option to quickly apply pre-established zones to an individual client. With Group Zones, there is no need to continually recreate the same commonly used zones, which saves significant staff time and resources.

We provide an example of zone capabilities within this proposal; see *Figure 127. TotalAccess Zone Creation* on page 246.

*viii. Agency should require that the software allow officers to find a GPS client’s location in near real time.*

At no additional charge, agency personnel can manually and remotely “ping” a client’s LOC8 XT to obtain the most recent GPS point by sending a find client request in TotalAccess. In response to this request, the LOC8 XT promptly sends its current location and all stored information—regardless of the selected service plan. Other vendors in the industry do not offer unlimited pings at no additional charge. Similarly, authorized personnel can “ping” the HomeGuard 20|20 receiver to receive the location of the receiver—either paired with a RF or TAD transmitter—in near real time.

*ix. Contractor(s) software should have the capability to actively, in near real time, pursue a GPS client as necessary by the Agency.*

City and Participating Public Agency personnel can enable the Pursuit Mode function via TotalAccess software. Once this function is enabled, our GPS devices collect a location point every 15 seconds and report the collected data to the monitoring system every minute. Authorized personnel can enable Pursuit Mode for up to 30 minutes of functionality or disable the feature earlier if desired.

*x. Contractor(s) software should have the capability to modify a device’s setup and configurations by individual client, officer caseload, and for the entire agency.*



**Figure 105. Pursuit Mode**

In addition to “pinging”, agency personnel can enable the Pursuit Mode function through TotalAccess. Once this function is enabled, the LOC8 XT collects a location point every 15 seconds and reports the collected data to TotalAccess every minute.

TotalAccess supports the ability to create unique parameters with different schedules, zones, and testing intervals for each day of the week, for each client. For example, City and Participating Public Agency staff can create a commonly used weekly schedule and apply this schedule to multiple clients in their caseload or the entire Offender Monitoring Program. Once a modification has been applied to a client, officer’s

caseload, or entire agency, it can easily be changed to accommodate various conditions. For instance, a weekly schedule could be quickly modified if the client has a court hearing, or substance abuse treatment.

*xi. Contractor(s) software should be able to have the ability to send messages on command.*

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Understanding that ongoing communications with clients is critical to the City's electronic monitoring program, BI's continuum of monitoring technologies are equipped the ability to send messages on command. These capabilities include:

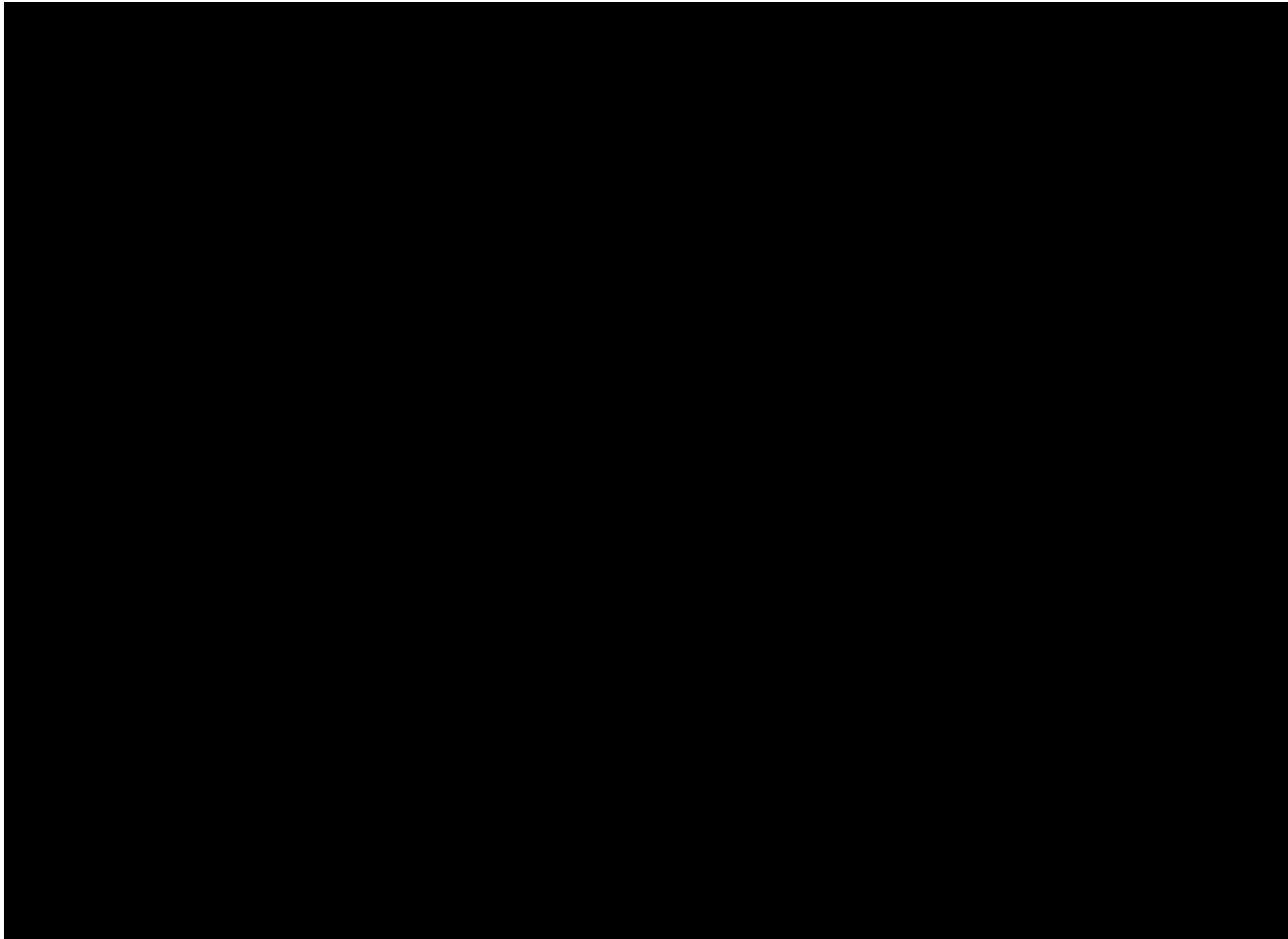
- Users can send pre-recorded audio messages to the LOC8 XT and LOC8 GPS trackers
- The HomeGuard 20|20 receiver is equipped with an LCD screen that can display messages from officers when the transmitter is in range
- Officers can communicate with clients via SmartLINK Connect, our client smartphone application available at no cost for every individual monitored with BI equipment
  - SmartLINK Connect includes a messaging module that replicates common text messaging applications, and all communications are stored within TotalAccess

### **3.1.5.9.c. Advanced Mapping Capabilities**

BI's TotalAccess GPS reporting system uses Google maps, which allows a variety of map views including aerial, street, and topographical views. When hovering over a GPS point within a TotalAccess map, authorized City users have access to the following information:

- Date and time the GPS point was collected
- Offender name
- Latitude
- Longitude
- Direction of travel
- Speed the client was traveling
- Number of satellites used to acquire the location point
- Nearest address (reverse geo-coding)

City users view current and historical information and can view up to 48 hours of GPS data on the map. The following figure depicts client movements and reverse geo-coding as viewed through TotalAccess. Reverse geo-coding uses the latitude and longitude coordinates of a location to determine the closest street. Geo-coding then returns a likely address, relative to nearby cross streets, as illustrated in the figure on the following page.



**Figure 106. Mapping Offender Movements**

All maps contain recognizable state, county, and municipality data, and authorized personnel can view the street names within the map as well.

---

*i. Agency should require that software allows officers with GPS caseloads to have access to sophisticated mapping technologies that are integrated with the software.*

---

City and Participating Public Agency personnel supervising clients with GPS monitoring have access to sophisticated mapping technologies integrated with TotalAccess. Harnessing the power of Google Maps, TotalAccess allows GPS points to be viewed using forward and reverse playback at three different speeds.

Users can view GPS points can be viewed one point at a time. Arrows show the direction of a client's movement, along with a scrolling list of events that correspond to the GPS points during playback. A color gradient bar shows the passage of time. Authorized personnel can hover the mouse over any GPS point to display the client's name, latitude, longitude, direction, speed, number of visible satellites, and a link to the nearest address.

Users can look at maps in two- or three-dimensional forms and view road, aerial, and bird's eye views of GPS points.

---

*ii. Contractor(s) should be required to use Google Maps™ mapping service to build zones and review client information from software.*

---

Authorized users have several Google Maps views to choose from when setting up zones, running reports, and viewing client movement. City personnel can easily zoom in and out of maps from street level

to statewide. With this feature-rich functionality, authorized users can create precise zones and see client movement with extreme accuracy.

*iii. Contractor(s) software should utilize Google Maps in order to be viewed in 2-D or 3-D and provide road, aerial, and bird's eye views of GPS points.*

TotalAccess uses Google Maps application programming interface (API) to provide accurate real-time geographic data, including satellite imagery, street maps, 360-degree panoramic street views, and route planning. Google Maps satellite view provides a “bird’s eye” perspective and is automatically updated with the latest satellite imagery available. Most satellite imagery displayed is no more than three years old.

Authorized users have several map views to choose from when setting up zones, running reports, and viewing client movement in TotalAccess. Agency personnel can easily zoom in and out of maps from street level to statewide. With this feature-rich functionality, users can create precise zones and see client movement with extreme accuracy.

#### TotalAccess Mapping Capabilities

*As TotalAccess uses Google Maps to display client movements and geographical information—providing the most up to date satellite imagery available. TotalAccess allows authorized personnel to display GPS points, view corresponding alerts and events, request an on-demand client location fix, and view zones.*

#### 3.1.5.9.d. Agency Level Access

*i. Contractor(s) should incorporate several features that support agency level efficiency.*

To provide the City and Participating Public Agencies with multiple layers of control over who can access and alter data, TotalAccess includes levels of user permissions that are able to edit data, and one level of permissions for read-only users. Specific user roles include:

1. **The Agency Administrator** level of permissions allows a user to edit the agency profile, as necessary, after initial setup. The Agency Administrator can perform the following tasks:
  - a. Complete initial setup of agency personnel, enter and manage users, and enter login, personal, and contact information for each staff member
  - b. Complete initial setup of agency-level settings, such as Master Inclusion Zones and Group Zones
  - c. View the agency’s equipment inventory and transfer equipment to various departments within the agency, as applicable
  - d. Establish and manage contact lists
  - e. Set default settings for alert notifications
  - f. Transfer clients to specific departments and/or agency staff members
2. **The Officer Level** user can perform the following tasks:
  - a. Enroll clients
  - b. Monitor clients
  - c. Create client-level zones and schedules
  - d. Configure individual defaults according to the officer’s profile
  - e. Transfer clients to specific departments and/or officers
3. **The Officer Read-Only** user can access and view program and client data without altering any information in the system.

*ii. Contractor(s) software should be required to incorporate inventory management and allow agency to view inventory data across multiple sub agencies and easily transfer equipment between them.*

Our solution includes an inventory application, within TotalAccess, that provides an accurate report of all equipment and accessories assigned to the agency. TotalAccess identifies items not in use as “shelf stock” or a term acceptable to the agency. Similarly, authorized users can view and transfer equipment between agencies within the City. TotalAccess inventory database identifies:

- Equipment/accessory name and type
- Serial number (when applicable)
- Client name (if assigned)
- Total number of equipment items on inventory

In addition, TotalAccess Mobile includes inventory management features that streamlines operations. For example, users can view information for the last client assigned to a device and tap a button to email the inventory information for further review.

Please also see *Proposal Section 3.1.4.9—Inventory Management* on page 100.

*iii. Contractor(s) software should allow agencies to create zones and permissions at the agency level, rather than building them individually for each client.*

As a significant benefit, TotalAccess also includes a Group Zone feature. Group Zones allow agencies to quickly assign pre-established zones on an agency-wide basis or for specific client populations. Using TotalAccess, an agency administrator first creates and saves the desired zones around each location. Then, whenever agency personnel enroll a client, they can simply select the appropriate option to quickly apply pre-established zones to an individual client. With Group Zones, there is no need to continually recreate the same commonly used zones, which saves significant staff time and resources.

**Efficient Zone Creation**

*With Group Zones, there is no need to continually recreate the same commonly used zones, which saves significant staff time and resources.*

**3.1.6. Other Scope or Work Requirements**

The following table acknowledges BI's understanding and compliance with the remainder of the *Scope of Work* requirements.

Table 59. Other Scope of Work Requirements		
#		Comply
6.	Delivery	✓
7.	Term	✓
8.	Renewals	✓
9.	Extensions	✓
10.	Pricing	✓
11.	Types and Amounts of Insurance	✓

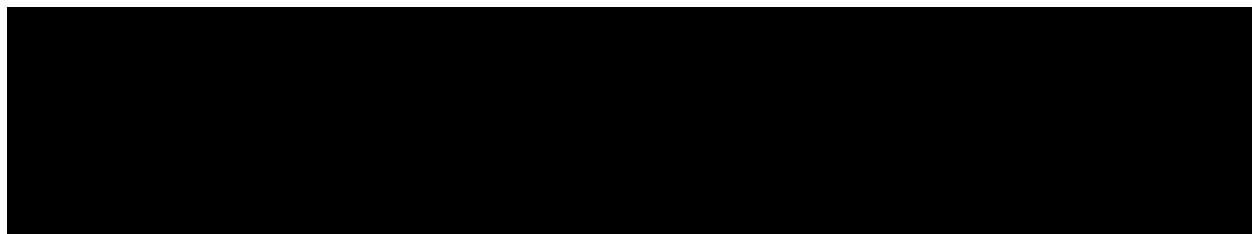
### 3.2 Questions Regarding Products, Services, and Solutions

1. Provide a description of the Products and Services to be provided for the major product category(ies) that are being proposed. The primary objective is for each Contractor is to provide their complete product, service, and solutions offerings so that participating Public Agencies may utilize a range of these services as appropriate for their needs.

BI's proposed solution includes a complete package of electronic monitoring technologies and services, allowing Participating Public Agencies to receive software, support, and ISO-certified equipment from a single provider. To the best of BI's knowledge, no other vendor in the industry can provide a complete continuum of products and services from a single source, without relying on subcontractors or other third-parties. A brief description of BI's proposed solution is summarized in the following table.

**Table 60. Product and Service Line Summary**

Category, Location	Summary of Product/Service
<b>Active, Passive, Hybrid GPS</b> 3.1.5.1, page 114	<b>LOC8 XT, LOC8, and ExacuTrack One:</b> Innovative and proven GPS technologies enhance public safety while decreasing officer workload.
<b>Radio Frequency</b> 3.1.5.2, page 122	<b>HomeGuard 20 20, 206, 200, and GroupGuard:</b> Accurate curfew monitoring in any environment and for any population.
<b>Voice Tracking</b> 3.1.5.3, page 131	<b>VoiceID:</b> Biometrically identify clients to verify locations without reliance on equipment, offering cost effective monitoring solutions.
<b>Breath Alcohol Monitoring</b> 3.1.5.4, page 136	<b>SL3, SL2, and Sobrietor:</b> Highly accurate breath alcohol monitors provide reliable data while clients are at home or in the community.
<b>Transdermal Alcohol Monitoring</b> 3.1.5.5, page 148	<b>TAD:</b> Continuously and precisely monitor client alcohol intake through court-validated fuel cell technologies.
<b>Supplemental Support Services</b> 3.1.5.6, page 157	<b>Agency Assist:</b> Enhanced monitoring services aimed at alleviating administrative, technical, and data management workloads.
<b>Smartphone Application</b> 3.1.5.7, page 169	<b>SmartLINK, TotalAccess Mobile, and BI Mobile:</b> Secure mobile application enables real-time messaging, self reporting, and check-in capabilities to provide an additional level of passive monitoring.
<b>Data Analytics Software</b> 3.1.5.8, page 182	<b>Analytics Suite:</b> Comprehensive analytics engine to monitor officer's alert processing trends and client behavioral patterns.
<b>Online Monitoring Software</b> 3.1.5.9, page 190	<b>TotalAccess:</b> A suite of software solutions provides consolidated data and actionable information to direct officer priorities.





*2. Describe any related products, services and solutions provided by your company. Describe if Contractor is the original equipment manufacturer of hardware, owns all the software provided and owns all monitoring center services. Include any subcontractors for hardware, software, monitoring services or any other products or services intended to be used to fulfill the requirements of the contract.*

### **Related Products, Services, and Solutions**

Electronic monitoring is proven by numerous studies to be an effective tool for reducing the likelihood of a client’s failure to comply with community supervision directives. BI leverages the expertise of our sister company, GEO Reentry Services, to offer an array of related products, services, and solutions to help augment the success of electronic monitoring. For example, our treatment-oriented programs have positively impacted client behavior and reduced recidivism rates. These related programs, used in conjunction with or without electronic monitoring, provide a comprehensive service for Participating Public Agencies to procure through this contract.

Related Products, Services, and Solutions include:

- Drug and Alcohol Testing
- Day Reporting Centers for Adults and Juveniles
- Field Services
- Victim Alert Solution

See *Proposal Section 3.5—Additional Information* on page 265 for detailed information about these solutions.

### **Original Equipment Manufacturer**

As the Original Equipment Manufacturer (OEM) for all offered equipment, BI will not require any support from subcontractors to fulfill the agency’s requirements. Our electronic monitoring devices and mobile applications operate on BI’s TotalAccess platform, software developed entirely by BI engineers. We can manufacture units in the quantities required, or in larger quantities if the agency’s needs expand. Our in-house manufacturing facility in Boulder, Colorado can also produce high volumes of units in a short period of time.

By contracting directly with an OEM, the agency will be provided with a simplified and accelerated program management approach. With BI as the sole vendor for the program, agency staff will not have the hassle or delays of working with third party providers or subcontractors. Instead, BI will deliver services and equipment promptly. BI can troubleshoot, address, and resolve device or software issues quickly and efficiently because our account support teams have direct access to product engineering, manufacturing, software developers, shipping, and all other internal BI departments.



**Figure 107. Original Equipment Manufacturer**

BI’s state-of-the-art manufacturing floor uses industry best practices—including stringent quality control measures and streamlined workflow processes—to provide equipment that can reliably monitor high-risk populations.

*3. Discuss where your company sees this industry going during the next five (5) years and how that might affect the products being offered by your company during that time. How might these innovations help or aid offender monitoring programs.*

Given the ever-increasing pace of innovation, the next five years will bring capabilities and solutions barely yet imagined in the electronic monitoring and community corrections space. More than eight years ago, BI’s executive team supported the creation of BI Labs, with the mission to “Explore technology concepts and ideas that can lead to the creation of leading edge products and solutions.” Since that time, innovations such as Wi-Fi positioning, embedded analytics, and next generation cellular capabilities have graduated from BI Labs into our products and services.

Over the next five years, from a caseload management and compliance monitoring perspective, BI Labs foresees the introduction of:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]



**Figure 108. BI Innovation**  
BI Labs is developing solutions that align with industry trends including compatibility with increased reliance on mobile applications, for example.

4. Provide a narrative on your acceptance and understanding of the *Scope of Work* (pages eleven (11) to thirty-two (32)) and *Technical Requirements* as outlined in Attachment C of this Request for Proposal. Include how the Contractor can provide a proposed solution which meets or exceeds the City’s specifications for each of the following (categories repeated in table below):

BI fully acknowledges and accepts all *Scope of Work* requirements, and we confirm that our proposed solution meets or exceeds the City’s specifications for each product category. We have detailed our approach to every *Scope of Work* requirement within this tab of our proposal (see *Proposal Section 3.1—Scope of Work Requirements*).

Table 61. Proposed Solution: Scope of Work Acceptance			
Category	Proposed Solutions	Proposal Location	Comply
Active, Passive, Hybrid GPS	LOC8 XT, LOC8, and ExacuTrack One	3.1.5.1, page 114	✓
Radio Frequency	HomeGuard 20 20, 206, 200, and GroupGuard	3.1.5.2, page 122	✓
Voice Tracking	VoiceID	3.1.5.3, page 131	✓
Breath Alcohol Monitoring	SL3, SL2, and Sobrietor	3.1.5.4, page 136	✓
Transdermal Alcohol Monitoring	TAD	3.1.5.5, page 148	✓
Supplemental Support Services	Agency Assist	3.1.5.6, page 157	✓
Smartphone Application	SmartLINK, TotalAccess Mobile, and BI Mobile	3.1.5.7, page 169	✓
Data Analytics Software	Analytics Suite	3.1.5.8, page 182	✓
Online Monitoring Software	TotalAccess	3.1.5.9, page 192	✓

*5. Provide Contractor’s specifications and capabilities for the following, including transmitter and home unit specifications, as applicable (categories repeated in list below).*

To ease evaluator review, BI has provided *Specification Sheets* for all proposed solutions in *Appendix E*. This documentation includes:

- One-Piece GPS Tracking System, Active GPS Portable Tracking, and Passive GPS Tracking
  - BI Solution: LOC8 XT, LOC8, and ExacuTrack One
- Radio Frequency Tracking
  - BI Solution: HomeGuard 20|20, 206, 200, and GroupGuard
- Voice Tracking and Voice Verification and Message Reporting System
  - BI Solution: VoiceID
- Video and/or Voice Breath Alcohol Monitoring
  - BI Solution: SL3, SL2, and Sobriotor
- Continuous Alcohol Monitoring
  - BI Solution: TAD Landline, TAD Cellular
- Mobile Breath Alcohol Monitoring
  - BI Solution: SL3, SL2
- Supplemental Support Services
  - BI Solution: Agency Assist
- Smartphone Application
  - BI Solution: SmartLINK, TotalAccess Mobile
- Data Analytics Software
  - BI Solution: Analytics Suite
- Online Monitoring Software
  - BI Solution: TotalAccess

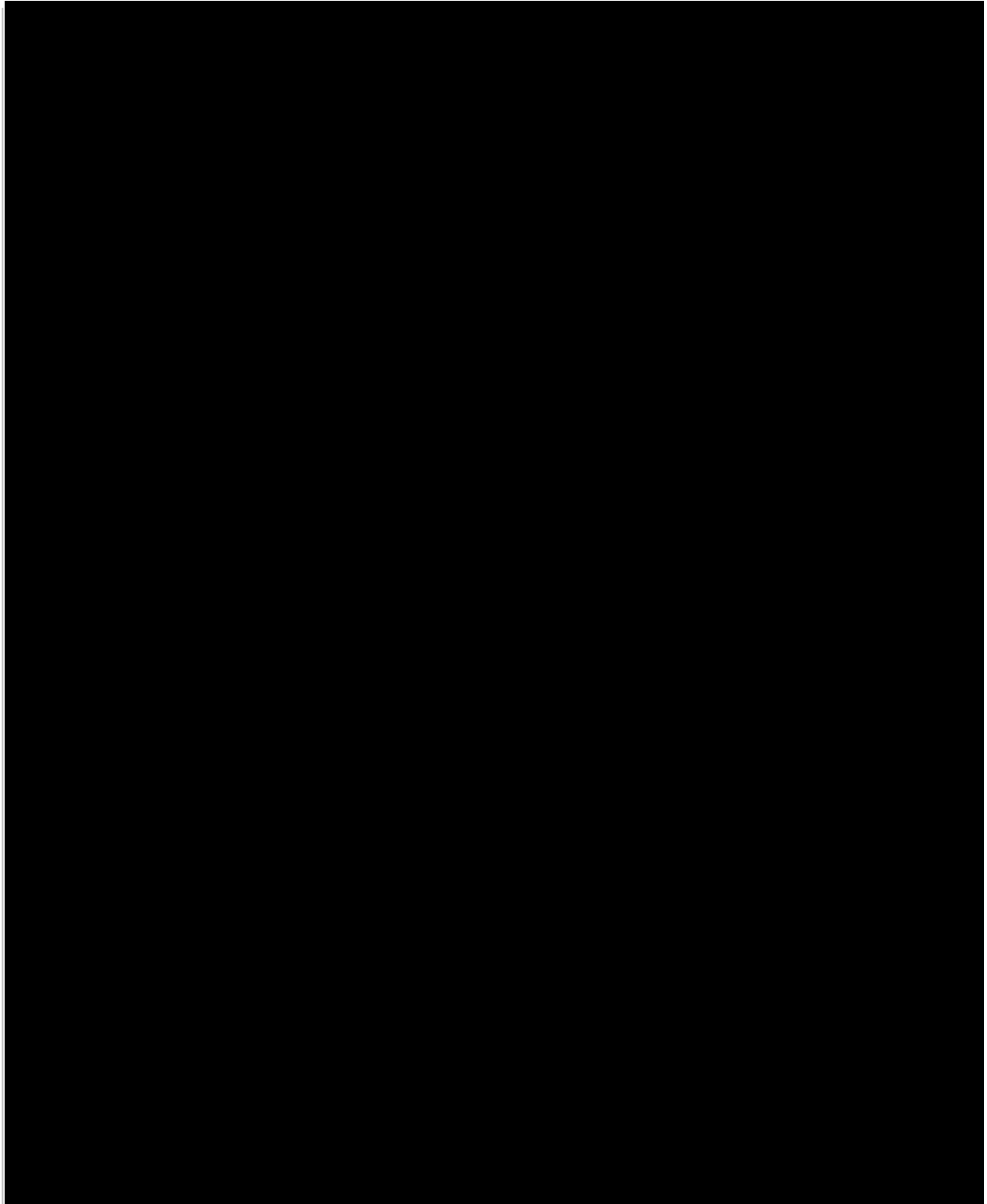
**SINGLE-SOURCE SOLUTION**

-  Software Platform
-  Monitoring Center
-  Manufacturing all products
-  Central Computer System
-  Quality Assurance Program

*6. Architecture. The Contractor shall describe how their architecture aligns with the principles and best practices. The City encourages Web-based solutions that are designed using either a 3/N-tier or Service- Oriented Architecture (SOA) approach. Contractor shall identify any elements of their design that appropriately would not meet these constraints and explain why this is so.*

BI employs a modular SOA approach for our proposed software system. This established approach is in use with other community supervision programs and represents data integration principles and best practices in the industry. From an integration standpoint, TotalAccess incorporates a standard Application Programming Interface (API) design that uses Simple Object Access Protocol (SOAP) web services in an XML format. This allows us to interface TotalAccess software components securely with specific external software systems. BI developed our solution on .NET and SQL Server platforms, which are industry-proven Microsoft technologies. All of BI’s website applications run on the current version of Microsoft’s IIS (Internet Information Services), which supports all mainstream web browsers and web services.

The graphic on the following page provides an overview of our proposed architecture.



**Figure 109. Server Architecture**

BI's TotalAccess servers use an advanced data processing application and central monitoring hub that includes robust processing power and data management applications from Microsoft, such as Microsoft Servers and SQL Servers for increased processing power and security.

7. The Contractor shall provide a diagram (or diagrams) with corresponding narrative that describes how their proposed technical solution is Adaptable, Available, Extensible, Interoperable, Manageable, Redundant, Resilient, Scalable, and Securable

The diagram in *Figure 107*—and the corresponding narrative for each item listed after the diagram—describes the nature and extent of our proposed technical solution.



**Figure 110. Flexibility and Extend of the Proposed BI Technical Solution**

BI’s solution is flexible enough to accommodate programs of all sizes—from a handful of RF units to hundreds of GPS devices—without compromising service.

**Adaptable.** A significant benefit of BI’s solution architecture is provided through “individual aggregation”, meaning that the system is entirely customizable and adaptable to the individual preferences of each customer agency, without affecting BI’s system as a whole. With this architecture, BI can customize our offerings and capabilities specifically for each agency, including the monitoring technology utilized, configuration settings, user interface, terminology, reports, and more.

**Available.** BI’s system has maintained a high level of uptime over the last 12 months. To accomplish this availability, BI’s solution includes a series of defense mechanisms to prevent system issues or loss of data, including physically secure facilities, comprehensive hardware and software applications, and reserve power sources, along with an array of dedicated telecommunication lines and data communication IP priority connections. To further support availability, BI replicates all monitoring data is continuously and in real-time on primary and secondary servers.

**Extensible.** BI’s solution architecture is 100% extensible, meaning the system can grow indefinitely as each agency in the program grows. There is essentially no limit to our system capacity—BI’s solution can expand indefinitely. In addition, our team of expert software developers, information systems personnel, and product managers constantly upgrade and enhance our systems based on continual customer feedback. BI’s team works closely with each agency to collaborate on any specific customization.

**Interoperable.** TotalAccess is an entirely Internet-based application that authorized users can access 24/7/365 from a web-enabled PC, smartphone, laptop, or iPad. In addition, TotalAccess is interoperable and compatible with all standard operating systems, including current versions of Microsoft Windows. BI has established procedures that ensure TotalAccess is compatible with relevant future operating system releases. This effort ensures sustained compatibility if the agency intends to transition operating systems.

**Manageable.** BI’s system includes an array of web and database servers, redundant data storage subsystems, redundant power and communications systems, environmental systems, and both physical and electronic security systems. Because BI’s solution is highly complex and comprehensive, we employ a large team of dedicated technical experts who manage the system 24/7/365. This includes information

systems and technology personnel who support all hardware and software components, including server applications, databases, and all data center components; software engineers and application developers who manage the software system; and technical management staff.

**Redundant.** BI's solution uses several redundancies to support continuous operation, including redundant servers and data storage subsystems, monitoring applications, reserve power supplies, and communication carriers. All monitoring data is continuously replicated in real-time on BI's primary and secondary servers at our two data centers. In addition, our data centers both include primary and backup reserve power supplies. If we lose power to one data center, the on-site diesel-powered generator provides electrical backup until power is restored. If our primary data center fails, all monitoring data is replicated in real-time to our backup data center.

**Resilient.** BI's solution is highly resilient and flexible to meet the needs of OMNIA Partners Public Using Agency programs. We are proposing a flexible and comprehensive monitoring system that agencies can customize to its particular needs. In addition, our system includes highly resilient, state-of-the-art hardware and software components and platforms. Our systems are extremely durable and will withstand the data processing load with proven reliability throughout the life of the contract.

**Scalable.** BI understands that it is difficult for agencies to predict exactly how large their programs will be years in the future. For this reason, agencies must contract with a vendor that provides a truly scalable solution. BI monitors more than 273,000 clients for more than 1,155 agencies. With this capacity, BI's system can easily support the user and client load for the entire OMNIA Partners program with no adverse impact on our system capabilities. The current load of our solution remains at only a fraction of total capacity. Therefore, we can support an enormous increase in the number of clients without expanding. However, if the system does need to expand, BI's flexible architecture and scalable technology allows for unlimited expansion with relative ease.

**Securable.** BI's solution includes an array of physical and virtual security measures to prevent intrusion and circumvention. Our system is protected from unauthorized security threat through various security protocols, including intrusion detection, firewalls, antivirus protection, TLS certificates, and encryption. All users are also required to input unique, secure usernames and passwords, which must be regularly changed to offer an added level of protection.

Our system also includes stringent physical security measures. Our data centers are monitored 24/7/365 by our technical personnel, and these facilities are only accessible to authorized personnel with keycard security clearance. All these security measures alert our technical response team within seconds of a potential problem.

*8. Describe any additional features offered by your company for Participant Monitoring System Operation which are not specified already in the Scope of Work.*

---

BI has several additional features that are offered by our organization not specifically required by the *Scope of Work*, including:

- Drug and alcohol testing
- Day Reporting Centers for adult and juvenile clients
- Field services, including electronic monitoring device installation, maintenance, and removal
- Victim alert solution

We detail these solutions in *Proposal Section 3.5—Additional Information* on page 265.

*9. Please describe your company's security protocol, including but not limited to, the following: General security; Data protection assurance; Drug and alcohol policies for Monitoring Center; Facility access; User access authentication and authorization; System software controls; Logging and reporting; Records retention; and Audit trail.*

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**General Security**

BI as an organization maintains high security standards and has implemented numerous policies to maintain an educated workforce on general security practices. All BI employees undergo stringent background checks as well as security training once hired. The following provides a short summary of organizational policies and procedures.

**Personnel Security and Training Policies.** BI provides a secure environment for personnel through the implementation of policies, procedures, training and a security screening process prior to hire. Employees must read and sign a Code of Ethics and Business Conduct document during the orientation process and confirm that they have read it on a regular basis during their annual review. Security is further enhanced through the use of secure access badges to primary corporate locations of Boulder, CO and Anderson, IN.

**Handling of Secure Information Policies.** The purpose of this policy is to provide a set of guidelines governing the use of portable electronic devices and removable media within the BI environment. The BI Media Protection Policy provides guidance to BI workforce and management in the protection, marking, sanitization, production input/output, and disposal of media containing sensitive information that affects the ability of BI to conduct its mission.

**IT Security Policies.** To provide a policy and procedure by which BI will take appropriate steps to properly protect BI Data and BI Technology from any threat that may compromise the integrity of BI Data or the reputation of BI’s ability to protect data. The Systems and Information Integrity Policy defines the defense-in-depth strategy BI has adopted to reduce the information security risk associated with BI systems. Defense-in-depth is an information assurance strategy in which multiple layers of defense are placed throughout a system.

**Incident Response Procedures.** The BI Incident Response Procedures provide guidance to BI workforce and management in responding to and reporting security incidents that affect the ability of BI to conduct its mission.

**Data Protection Assurance**

BI has established strategies, processes, and measures that we designed and implemented to continuously monitor clients and prevent data loss. [REDACTED]

[REDACTED]

As summarized below, every aspect of our operations includes data protection strategies.

**Table 62. Data Protection Strategies**

Topic	Summary
[REDACTED]	

**Table 62. Data Protection Strategies**

Topic	Summary
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**Drug and Alcohol Policies**

BI leverages our existing *Staffing Plan* to hire employees that meet our strict ethical standards and confidentiality requirements. As a component of this plan, we will execute the following policies and procedures to hire individuals who meet agency staffing requirements:

- Provide detailed job requirements and working environment information to employees to ensure they understand the position responsibilities and contractual requirements.
- Use an independent employment-screening agency to conduct background investigations; administer pre-employment drug screens; and check FBI, state, county criminal records, motor vehicle records, and central registries.
- Evaluate candidates to confirm they are authorized to work in the United States. BI will take precautions to avoid discrimination violations under the purview of the Department of Justice's Office of Special Counsel.
- Use behavioral interviewing techniques to ensure we hire the strongest candidates. During behavioral interviews, candidates describe how they have reacted in various situations, emphasizing their life experiences and past behaviors. BI uses this interviewing technique to predict future behavior versus relying on the candidates' self-assessments.



**Figure 111. Qualified Staff**  
BI's Staffing Plan ensures that we hire the most qualified candidates and adhere to all City staffing requirements.

**Facility Access**

Access to BI's Monitoring Operations Center and Boulder office is controlled with a limited number of building entrances, which are all secured with swipe cards. BI personnel escort visitors at all times while onsite at the facility. BI maintains internal security with electronic door controls, which are accessible only through security swipe cards. The outside lighting on the perimeter of the building illuminates both the building and its adjacent parking lots. The facility is continuously monitored by a closed circuit TV system, and cameras are strategically placed throughout the facility, both inside and outside.

BI securely maintains our servers in restricted areas. Authorized personnel with the proper security clearance must use an access card to enter the server rooms. Each server room contains multiple security features—including interior and exterior cameras and alarms—and BI System Administration staff are onsite and/or on-call 24/7/365.



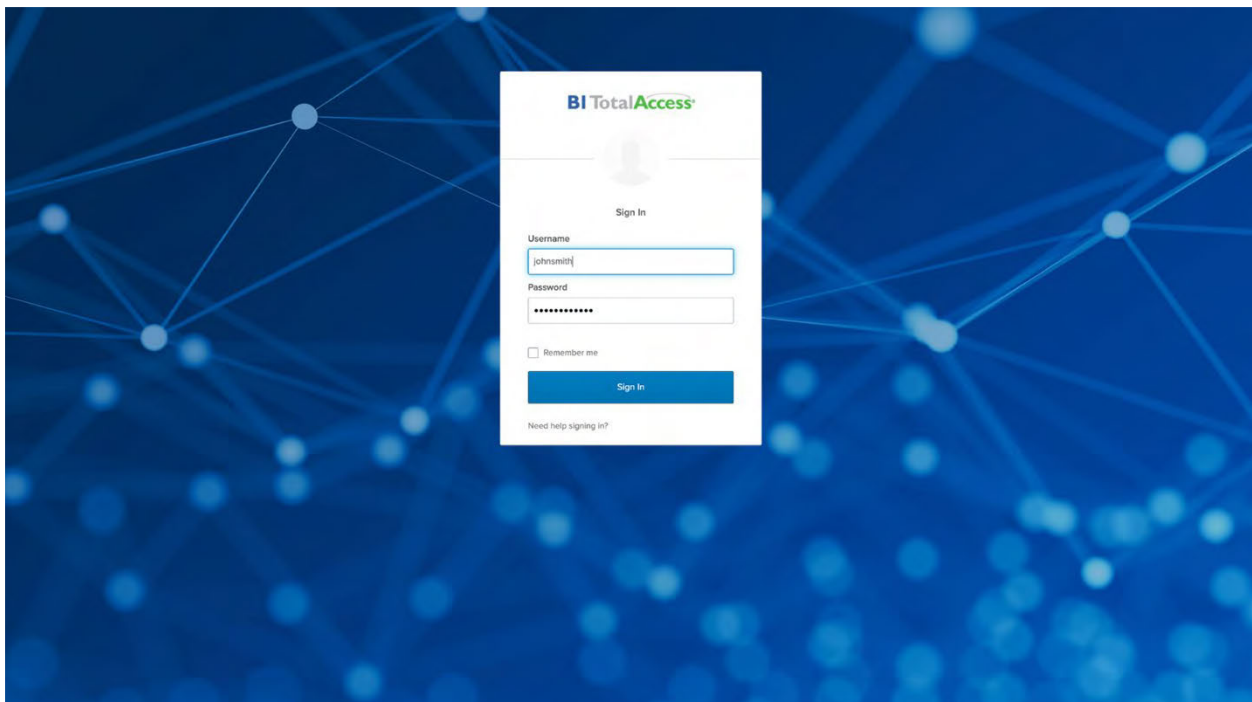
For further protection, our data centers incorporate smoke detection equipment, fire suppression systems, redundant cooling systems that maintain proper temperature and humidity levels, and sensors to prevent water damage.

### User Access Authentication

TotalAccess has remote capability and is available 24/7/365 from any web-enabled computer, smartphone, or tablet. From this streamlined platform, authorized users can view their caseloads, close alerts, send messages, and view client locations.

Authorized personnel must enter their unique username and password to access the TotalAccess platform. BI uses Okta for this authentication every time a user logs in to the software. The BI-issued login restricts each internal and external user's access to specific data, as appropriate. TotalAccess also requires users to periodically change passwords every 60 days, for an added level of protection. BI's system will automatically deactivate login credentials that have no activity for a period of 45 days.

An audit trail feature security log records all login and log-off activities. The system also records all changes to program information. Login ID codes enable the BI System Administrator to identify who modified the information, when it was modified, and the original information before the change. In addition, BI offers an *Audit Trail Report* detailed on page 216. The following figure details the TotalAccess Login Page.



**Figure 112. TotalAccess Login Screen**

All authorized personnel create their own unique password to login to TotalAccess. For security purposes, all passwords must include one number and one symbol in addition to alphanumeric characters.

### System Software Controls

BI operationally controls access to TotalAccess via the following methods:

- Agency personnel are strongly recommended to attend TotalAccess training prior to getting a user account

- Users can only see relevant data within their designated agency/agencies
- Users are required to provide a valid agency number and email address to BI to generate a user account
- TotalAccess includes various user roles and permissions, including read-only access, as detailed above
- Following industry-best password and security protocols

#### Advanced Password Protection

*When logging into TotalAccess, authorized personnel must enter a unique username and password. The BI-issued login restricts each internal and external user access to specific data, as appropriate. The system also requires that passwords be periodically changed for an added level of protection.*

### Logging and Reporting

TotalAccess includes more than 40 standard reports regarding client activity, violations and alerts, caseload statistics, equipment inventory, and historical data. Users can schedule reports for automated delivery to an email address, as well as export reports from TotalAccess to Word, Excel, CSV or PDF applications.

### Records Retention

BI has established data retention systems, policies and procedures that will meet or exceed the City's standards. Key components of our approach to maintaining and storing records includes:

- Performing regular backups for all information housed in TotalAccess, including:
  - Automated incremental backup of all newly modified data runs twice daily
  - A full database backup runs weekly
- Replicating data across multiple servers in different geographic locations
  - BI maintains the information in the TotalAccess database across four different server clusters
- Retaining weekly backups for one month

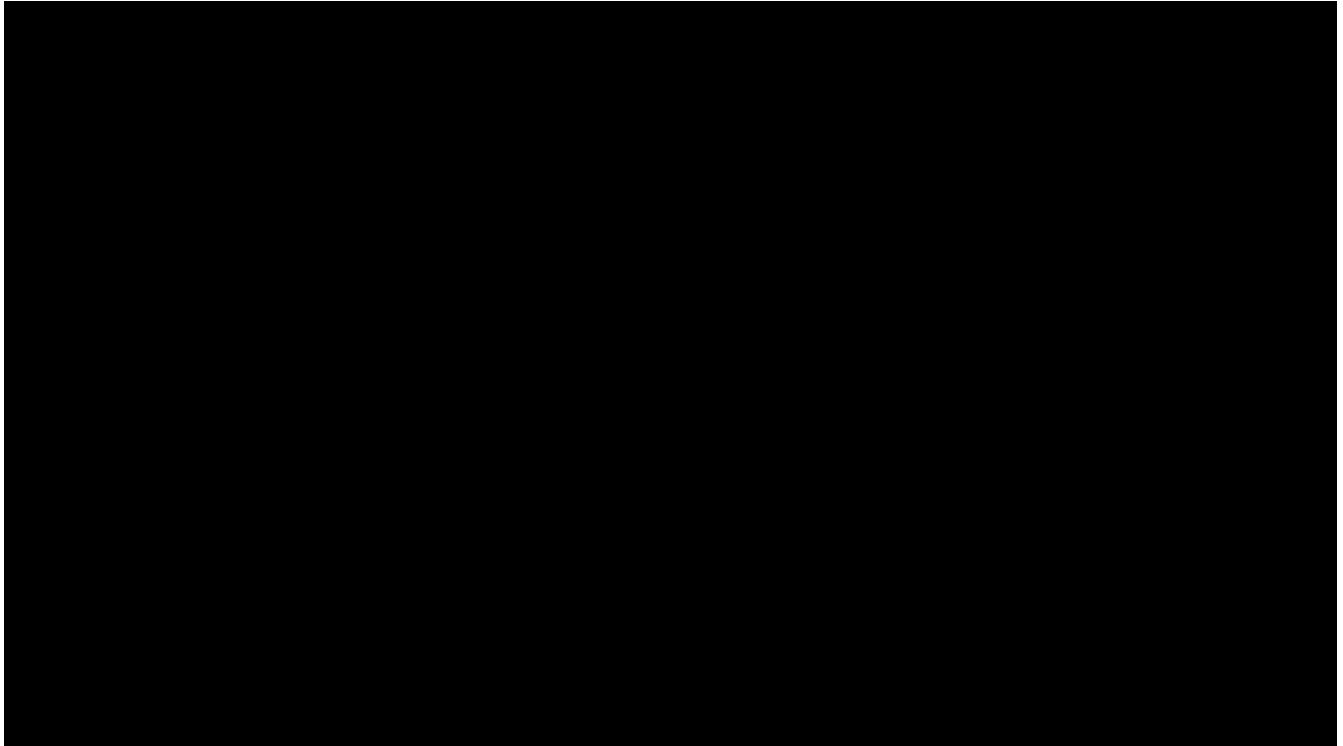
### Audit Trail

BI's central monitoring computer system stores all data with a historical transaction record, which includes all changes made to data, when the user modified the information, and the user who made the change.

To track this information, TotalAccess includes an *Audit Trail Report* that allows authorized users to view activity. The agency will have a record of the history of a client profile, device assignment, procedure, and service level. BI tracks all data with date and timestamps, including the following:

- All additions, changes, or deletions to system data
- All activity that causes any additions, changes, or deletions
- The user who made the changes

The figure on the following page provides an example of audit trail capabilities.



**Figure 113. TotalAccess Auditing Tools**

TotalAccess includes a suite of reports that enable authorized City personnel to audit all aspects of the agency’s program—including procedure overviews, client profiles, device assignments, notifications, and zones and schedules.

*ATO – Describe if the Contractor has obtained or is in the process of obtaining a Federal Risk and Authorization Management Program (FedRamp) Authority to Operate (ATO). Provide documentation of the ATO or where the Supplier is in the process.*



10. Describe Contractor’s proposed twenty four (24) seven (7) maintenance and support for this contract. Please identify the City’s role in all aspects of maintenance and support.

BI’s proposed maintenance and support approach for the City and Participating Public Agencies is very straightforward. BI will be responsible for all aspects of maintenance and support—provided through our 24/7 Monitoring Operations, tenured account management staff, established manufacturing center, and all other BI departments.

Please see *Table 24. Maintenance and Support Responsibilities* on page 76 for clear identifications on BI’s and the City’s role in all aspects of maintenance and support.

11. Provide a Statement of Work (SOW) for project management deliverables for potential transition. Include a narrative description of the work required to achieve the City’s requirements as described in this RFP. Narrative should include, but not be limited to, the following:

To facilitate project management activities, ensure compliance with all programmatic requirements, and assist in the success of the OMNIA Partners Public Agencies programs, BI will utilize a number of Project Management Materials. These include: 1) Overview; 2) Detailed Scope; 3) Schedule; 4) Risk Watch List; 5) Organizational Chart; 6) Implementation Strategy/Rollout Plan; and 7) Lead Time.

In accordance with RFP requirements, BI’s Statement of Work (SOW) is inclusive of all aspects of contract fulfillment, including:

- **Services.** BI’s solution includes extensive implementation support, and 24/7/365 support through BI’s Monitoring Operations, account management team, Customer Business Services, and all other services necessary to operate the program
- **Equipment.** BI’s electronic monitoring equipment is supported by geographically redundant data centers, server applications, and a comprehensive monitoring software platform

### Overview

*Project background, purpose/objectives, anticipated benefits, software or technology products proposed, business processes impacted, and customers/end users impacted.*

The scope of this project is to expand upon the existing, highly reliable, and successful Offender Monitoring Program for the City. BI and the City have a history of deploying the industry’s most robust and reliable monitoring devices. We understand that to compliment these items, a successful contractor must provide services and support that benefit every level of the City and potential Participating Public Agencies.



**Figure 114. Project Management Approach**

Over the previous contract terms, BI has developed a thorough understanding of the City’s needs and has prepared a project implementation management plan designed to focus on service availability, product reliability, and program transparency.

BI's SOW was designed to minimize business processes and end users impacted. Additional detailed benefits and how BI supports the City and Participating Public Agencies are described throughout this document.

### Detailed Scope

*Requirements, deliverables included in scope, deliverables not included in scope, etc.*

---

BI's thoroughly details our proposed scope of work and the manner in which we intend to fulfill all aspects of the project implementation is proposal. BI is offering industry-best equipment and services to effectively monitor clients in communities throughout the nation, reduce officer workload, and provide accurate, timely reporting on overall program health.

BI will provide the following project management deliverables:

- Meet with City Administration following contract award to discuss contract negotiation and execution, City needs, priorities, and program policies, procedures, and protocols
- Define the scope, time, and risks early, obtain approval of the final project plan, and track throughout the project
- Define the City's requirements for the TotalAccess software
- Modify the City's alert and event notification procedures, equipment configurations and protocols as necessary
- Determine and finalize training plans (dates, times, and locations) for City personnel
- Determine and finalize transition/swap plans (dates, times, and locations) for clients and pretrial defendants to new BI devices and services while managing inventory throughout
- Coordinate and deliver equipment and training materials necessary to complete both the trainings and transition
- Coordinate internal BI resources and implement the BI equipment and software training to City staff
- Conduct follow-up training when appropriate or requested
- Conduct weekly project status meetings to identify, analyze, monitor, and respond to any potential project risks
- Ensure project acceptance and complete any additional tasks as necessary



**Figure 115. Highly Experienced Project Management Staff**

BI developed our scope of work to minimize the impact on business processes and end users.

---

### Schedule

*All milestones and major project deliverables and the planned completion date for each item.*

---

BI began developing our schedule for this program prior to proposal submission, and we are fully prepared to implement all plans in this solicitation response upon approval from the City. The schedule, which is tied to the contract award date, creates a detailed and reasonable task list with durations, descriptions, responsible parties, and references any dependencies. City Administration and BI's Partnership Development Team will be regularly informed of the project's schedule through weekly project status meetings, if desired. Detailed timeframes and implementation activities are provided in *Proposal Section 3.1.4.11—Contract Transition* on page 103.

### Risk Watch List

*Identify, analyze/evaluate, monitor, and respond to the project risks as appropriate.*

---

Risks are inherent in any Offender Monitoring Program of this size. As the incumbent vendor, BI has proven experience providing the equipment and services necessary to operate an effective Offender

Monitoring Program. Through our partnership with the City, we have come to understand the overall challenges of the program and have all infrastructures currently in place to complete the transition and implementation as scheduled, with minimal disruption to the City's operations.

BI understands that any program possesses a certain amount of inherent risk. The BI Team has properly planned for this project, including the inherent risks that may need to be addressed quickly and effectively. Please find our *Risk Watch List* provided in *Table 30* on page 111.

### **Organization Chart**

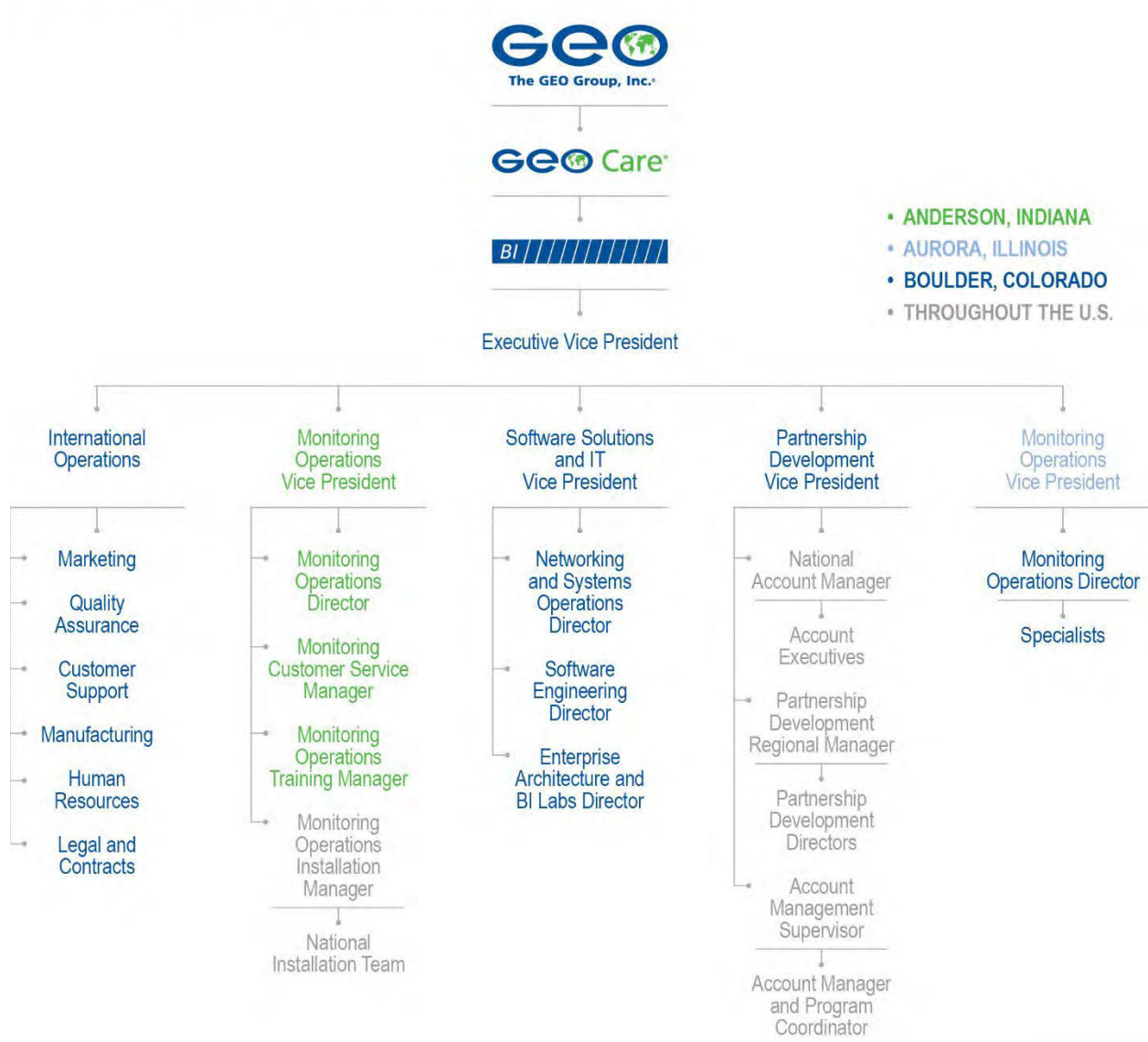
*Include defined roles and staffing plan.*

---

Our program and corporate organizational structures will result in prompt responses to agency requests, a flexible approach to any necessary program changes, and will facilitate frequent communication between BI and agency personnel. Each position in our *Organizational Chart* reflects an individual resource commitment, capability, and accountability function. By working together, these positions manage BI and program operations in an effective and smooth manner.

To ensure appropriate levels of authority, responsibility, communication, and accountability, BI developed a clear and direct chain of command for our proposed program. The figure on the following page outlines our proposed staff structure for the program, BI management, and our overall corporate structure.

## ORGANIZATION CHART



**Figure 116. BI Organizational Chart**

The level of leadership and involvement from BI personnel works to ultimately promote the successful monitoring of clients in the community.

BI has an established *Staffing Plan* that enables our organization to provide 24/7/365 monitoring services in support of community supervision programs. Our *Staffing Plan* includes the following key components:

1. Defining and Refining the Chain of Command
2. Recruiting and Hiring Staff
3. Training Staff
4. Delivering Services and Equipment
5. Retaining Staff

- 6. Managing Disciplinary Actions and Removals
- 7. Reporting Staffing Information

By continuing to implement this *Staffing Plan*, BI will comply with all RFP staffing requirements.

### Implementation Strategy and Implementation/Rollout Plan

*Explain Contractor's strategies for implementation/rollout.*

Transitioning and implementing an Offender Monitoring Program can be difficult and time-consuming for Participating Public Agencies that already have significant workloads and limited resources. To assist in this process, BI provides resources to train, monitor, and support electronic monitoring programs. BI is exceptional at quickly and effectively implementing fully functional electronic monitoring programs, on time and within budget. *Proposal Section 3.1.4.11—Contract Transition* on page 103 contains our implementation plan.

Throughout our history of providing electronic monitoring programs, BI has developed best practices for implementation, which include deploying local implementation teams, training local agency personnel on program operations, installing equipment on program clients, supporting initial data entry, providing on-going support, and collaborating with agencies for alert notification procedures and contractual obligations. The following outline provides an overview of our proposed implementation process:

- **Contract Execution.** Upon contract award, a BI representative will call or meet with City or Participating Public Agency representative to negotiate, finalize, and execute the contract. After all parties have reviewed and signed the contract, a dedicated BI Sales Executive and Project Manager will call or meet with an agency's Program Manager to discuss:
  - Particular equipment needs
  - Training scope and requirement
  - Implementation schedule
  - Program policies, such as notification procedures, equipment configurations, and protocols
  - Details of program goals, environment, and expectations.
- **Kick-Off Meeting and Action Items.** BI will deploy the implementation team dedicated to the successful implementation of the program. BI will hold a kick-off meeting with agency representatives to finalize a formal implementation plan that fulfills all program expectations. Team members will include executives assigned to Account Management, Project Managers, Monitoring Center

### TRAINING IMPLEMENTATION PLAN

#### 1 PLAN FOR TRAINING SESSIONS

Securing dates, times, and locations of training sessions.

#### 2 DELIVER EQUIPMENT

Providing monitoring devices for training purposes

#### 3 DISTRIBUTE TRAINING MATERIALS

Providing relevant documentation to Agency Administration

#### 4 CONDUCT INITIAL TRAINING SESSIONS

Performing in-person trainings for Agency officers, administrators, and supervisory staff

#### 5 CONDUCT ONGOING TRAINING SESSIONS

Offering supplemental trainings as technologies evolve and new Agency staff are hired



Management, Account Support Specialists, and Training Department Representatives. BI's implementation team will meet with agency representatives to review key contract conditions and define specific implementation steps, develop policies and procedures, and determine equipment demand and delivery.

- **Training Implementation.** BI will provide onsite training as necessary for the City and Participating Public Agencies. Training includes initial hands-on instruction on BI equipment and our monitoring software. During the implementation meeting, BI will work with the agency to define training location(s), numbers of personnel to receive training, and numbers of sessions. Training typically occurs each business day (Monday through Friday), and each training session will last approximately four hours.
- **Equipment Assembly and Delivery.** BI's Manufacturing Department assembles units based on demand and forecasting. This is an ongoing process during the implementation timeline and completed concurrently with the other stages in the process. BI will deliver equipment in phased shipments until all equipment arrives within the designated timeframe.
- **Equipment Transition Process.** During this phase of the process, BI will ship and deliver all equipment to the designated agency location(s). BI's Implementation Team and local inventory personnel will receive, document, inventory, and assign equipment to each client. BI's implementation team will then begin transitioning any previous vendor's equipment to BI's equipment. Clients identified for transition will report to their designated office(s) on the predetermined date(s) for equipment installations.

**Lead Time**

*Describe delivery lead times for hardware and software implementation. Discuss if these are standard lead times or current lead times due to COVID 19 supply chain challenges. Is any of the hardware proposed by the Supplier made outside of the United States? If so, describe how current supply chain challenges are impacting delivery of the hardware.*

BI typically delivers equipment within 3-5 business days of order placement. However, in emergencies or other urgent cases, we can accommodate delivery of equipment orders within 24-36 hours.

COVID-19 has introduced several challenges for vendors in the industry, and BI is aware that other electronic monitoring providers have experienced issues with equipment availability and supply chain robustness. As an organization dedicated to manufacturing equipment entirely in the United States, with a focus on subcontracting with certified small businesses, BI has experienced minimal, if any, supply chain issues. Our approach and ability to provide reliable equipment during unprecedented times is supported by:

- The financial backing of our parent company enables us to maintain higher inventory levels than many of our competitors
- Our robust, redundant supply chain for all critical parts; for example:



**USA-Based Operations**



**BI Headquarters**

6265 Gunbarrel Ave, Suite B  
Boulder, CO 80301  
303.218.1000 · bi.com



**BI Monitoring Operations**

Anderson, IN 46013



**BI Monitoring Operations/  
Backup**

Aurora, IL 60505

- Two approved battery supply partners
- Two approved Printed Circuit Board Assembly (PCBA) supply partners
- Contracting with four distinct suppliers for plastic tooling/molders for the LOC8 and LOC8 XT GPS trackers
- Regular weekly, monthly, and quarterly meetings with our key suppliers to ensure ongoing collaboration, partnership, and business health
- All of BI's key suppliers are based in the United States, with many local to our manufacturing facility in Boulder, Colorado
- Manufacturing, assembly, and testing are completed in the United States
  - Our Boulder facility is state of the art, and BI does not rely on subcontractors in China, elsewhere in Asia, or other low-cost countries

### Benefits of United States-Based Operations

BI Incorporated is proudly owned and operated entirely in the United States. Our dedication to American-based operations is more than a tag line or talking point. While other vendors in the industry can claim to be owned and located in the United States, few, if any other providers have invested as heavily in American operations as BI. In addition, we are proud to provide community supervision programs with all American-made monitoring equipment; BI is the only known company in the industry to fulfill this accomplishment. Beyond the desire to support our law enforcement and correction partners nationally with products made within our borders, United States manufacturing matters when it comes to the supply of our devices and services to our customers.

Especially during the COVID-19 pandemic, we all have been faced with numerous restrictions on a local and national basis. BI is pleased to have continued providing our technologies to all of our customers, with no delivery interruptions. Unfortunately, many of our competitors are not able to make this claim. This may be due to outsourcing manufacturing or assembling electronic monitoring devices to other countries. During this pandemic, restrictions have been in place for receiving goods and services from China and other countries where competitor devices are made or sourced. Further, with any increase in demand, manufacturing overseas requires a longer lead time to have devices built, often time taking several months. This requires not just foresight, but the capital and financial resources to invest in the supply chain before demand increases. Strong financial standing and support matters during these challenging times.



**Figure 117. U.S.-Based Manufacturing**

As the largest provider of electronic monitoring solutions to community corrections programs—with all products manufactured in the United States—BI understands the importance of quickly manufacturing large quantities of reliable products to meet evolving needs.

BI has a standing manufacturing and assembly line based in Boulder, Colorado with supply chain sources from various locations in the United States. Many of our suppliers have been impacted too, however, by the recent pandemic. To mitigate this risk, BI's supply chain and logistics capabilities are diversified, using many sources to provide the components, parts, and services needed. This includes a demonstrated track record of using small, minority, women, and veteran owned business nationally.

*12. Describe your procedure for managing lost/stolen/damaged equipment. How do you determine when a piece of equipment is lost/stolen/damaged?*

BI's approach to managing lost and damaged equipment includes calculating allowances on an annual basis, either at the end of the calendar year or contract year. Our *Standard Operating Procedure* for calculating lost and damaged charges is detailed in response to *Scope of Work* (see *Proposal Section 3.4.1.2* on page 76.) BI relies on our customers to report lost equipment so that billing for those devices can stop, ensuring the City is not charged for devices not in use.

*13. Discuss the Contractor’s degree of accuracy and how it validates Voice Tracking and Voice Verification. Include its accuracy percentage.*

BI’s continuum of proposed solutions includes two systems that use voice verification: voice tracking and voice verification through VoicelD and in-home breath alcohol monitoring through Sobrietor.

Both these solutions use voice verification technology that is capable of discriminating among a variety of physiological characteristics of the speaker’s vocal tract. BI VoicelD and Sobrietor uses this approach to compare the voice of the caller to the stored voiceprint obtained during enrollment. After the initial voice print enrollment, BI VoicelD uses automatic “continuous adaptation” that updates and refines the baseline voice print with additional voice samples from subsequent check-ins during which the identity of the client is determined at a high confidence level.



**Figure 118. Reliable Voice Verification**

Voice verification systems that do not incorporate “continuous adaptation” will require the offender to periodically

We designed this solution to minimize the success of an imposter checking in for a client, and alerts are generated when a client identity cannot be verified. BI VoicelD and Sobrietor detects imposters with 99% accuracy. Approximately 3 to 5% of initial check-ins result in exceptions that require follow-up analysis; however, after a client has called in successfully several times, the automatic continuous adaptation typically reduces this to below 1%.

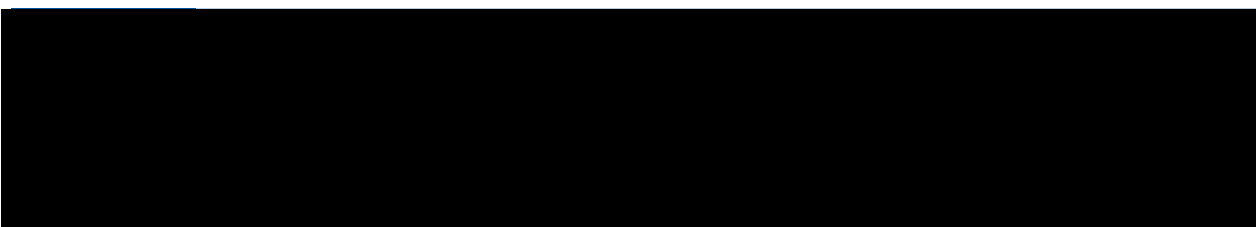
*14. Describe the acceptable operating environment and any limitations imposed on the system due to external electrical or radio fields.*

BI designed all of our proposed equipment to monitor clients involved in the criminal justice system and to function reliably in a wide variety of environmental and atmospheric conditions. This includes the ability to function regardless of the nearby operation of household electronic equipment or electrical fields generated by power transmission lines, power transformers, and commercial radio towers. Similarly, if individuals are monitored with different types of BI technologies, each unit will continue to operate and monitor the client’s compliance.

*15. What measures do you have in place to ensure GPS locations are not fabricated through Smartphone Applications?*

SmartLINK is available in both the Apple App store and Google Play Store. All applications available through these stores must comply with certain user security requirements. One of these security requirements is restricting applications from detecting other programs installed on the phone. Unfortunately, there is no application that can detect if a client downloads a location spoofing program. However, the SmartLINK mobile application will notify officers when a client disables the location services on their personal smartphone. As an application that is continually evolving and improving, BI is currently researching additional methods to determine if a client attempts to falsify location data.

BI also offers a secured mobile device, BI Mobile, that limits the client’s ability to change device settings and further ensures the fidelity of collected GPS points. See *Proposal Section 3.1.5.7—Smartphone Application* on page 169 for detailed information.



*16. Describe and provide any product and service warranties which are not already specified in Section C of this RFP.*

---

BI's warranty program includes maintaining, updating, repairing, and replacing equipment as needed. Under a rental arrangement, BI will implement a maintenance and warranty program. This will be in effect for the term of the contract, and BI will provide all consumables, warranty services, and replacement parts as a component of our solution.

BI also offers a purchase program with optional extended maintenance agreements through the OMNIA Partners *Master Agreement* which is included in the *Tiered National Pricing* options detailed on page 273.

*17. Describe your policy for testing and re-certifying equipment.*

---

As part of our ISO process, BI follows an established Engineering Change Notification procedure (ECN), which includes:

1. The BI Engineer investigates if an intended product change will require new compliance testing and documentation.
2. If BI determines that additional regulatory testing is required due to FCC or a potential safety impact, we will initiate creating an internal review with the Engineering Department.
3. BI Engineers will implement the change and perform testing to validate the design solution.
4. The responsible BI Engineer will work with a Regulatory Communication Professional to submit units for testing and provide paperwork required for compliance.
5. BI documents this procedure in our ISO Control of Documented Information and Change Management processes.

*18. Provide instructions on how participants clean equipment and how the City should clean and sanitize equipment between participants. Provide what the City should look for to determine if equipment should be retired from the program and returned.*

---

BI designed all of our devices to be reused in the field. As such, trained personnel can easily sanitize each unit between clients. Regardless of the type of monitoring equipment, BI recommends that the agency regularly sends units back to BI for inspection, detailed sanitization, and any necessary updates, repairs, or improvements. A summary of the cleaning procedures associated with our equipment include:

- **LOC8 XT, LOC8, ExacuTrack One.** After removing the unit from a client's ankle, BI recommends that City personnel wipe the device with a soft cloth—using Lysol or Sporidicin as a disinfectant.
- **HomeGuard 20|20, 206, 200, and GroupGuard.** Similar to GPS equipment, personnel simply remove the latches and the strap from the transmitter, and wash the device with a soft brush and Lysol.
- **SL3, SL2, and Sobrietor.** Our breath monitors come with reusable mouthpieces. Clients can discard mouthpieces after use, wash the mouthpiece by hand, or place them in a dishwasher.
- **TAD.** After removing the Alcohol Detection Module (ADM) filter and attaching a stopper to the unit, users can spray the entire unit with Sporidicin disinfectant.

BI will provide instructions to clients, complete with information about how to clean equipment. See *Appendix F—Client Guides* for examples of these materials.

*19. Please provide a list and description of all the standard reports available to the City and participating Public Agencies. Additionally, what are the Contractor’s capabilities to provide customized reports? What ability does the City and participating Public Agencies have in creating their own ad hoc reports from the data provided by the equipment?*

**Standard Reports**

TotalAccess is equipped with advanced report generation capabilities. While other vendors may tout that electronic monitoring software should have hundreds of reports, BI has leveraged our decades of experience supporting community supervision programs to deliver targeted information. Rather than offering hundreds of reports—which can often overwhelm users and cause confusion—TotalAccess provides useful, intuitive reports aimed at providing critical information in the hands of officers and other agency personnel.

The following table summarizes every report available within TotalAccess.

**Table 63. TotalAccess Reports**

Report	Description

**Table 63. TotalAccess Reports**

Report	Description
[Redacted Content]	

**Table 63. TotalAccess Reports**

Report	Description
[Redacted Content]	

**Table 63. TotalAccess Reports**

Report	Description

See *Appendix F* for samples of these reports.

**Custom Reports**

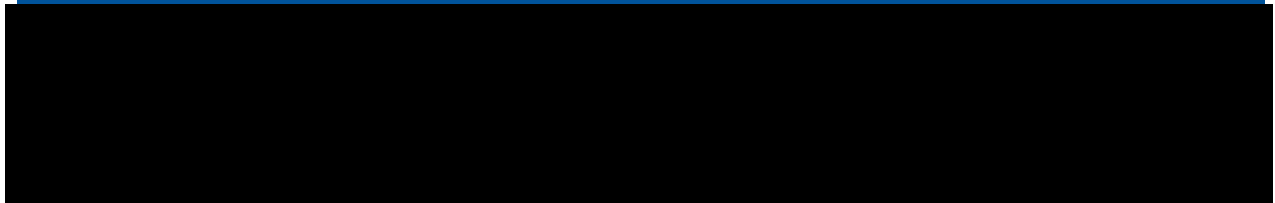
TotalAccess provides custom reports to enable agency and BI staff to effectively manage diverse and growing client populations. BI's on-demand reporting capabilities allow users to query information based upon more than 60 fields in TotalAccess. Users can create ad-hoc reports from fields related to the agency, client, officer, device, or device events.

For increased report customization, authorized staff can easily export data to Microsoft Excel. This export functionality enables users to: add data visualizations, such as pie chart, or bar and line graphs; apply formatting; filter, sort, and group data; and select information fields to be included in the report.

Advantages of this data export/ad-hoc solution include:

- Data is replicated in near real-time; there are no periodic batch loads of data. This means that the agency will always have access to the most recent data available.
- TotalAccess generates and displays information in report design templates. BI designed these formats to be easy to read and ready to be delivered as a final product.
- With a user-friendly interface, authorized users are not required to have any specialized technical skills to access the information they need.





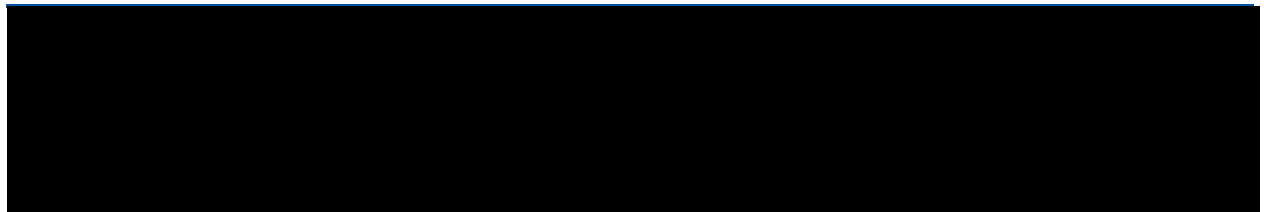
*20. What is your strategy for refreshing technology at no additional cost as technology improves? Discuss how often such refreshments take place and the expectations of the City and participating Public Agencies during this process.*

BI will provide the agency with the most recent generation of hardware and software refreshments that have completed beta testing. We will regularly communicate all upgrade, improvement, and software fixes to the agency. Users can also view software upgrade details directly in the TotalAccess *Login Page*.

Many of BI's units, including the LOC8 XT, SL3, and HomeGuard 20|20 receiver, automatically update with the newest firmware while the device is active in the field. These firmware over-the-air (FOTA) updates are approximately thirty seconds in duration, and the client is unaware of the update process. Within TotalAccess, authorized users can see a record of FOTA activities.

BI is constantly updating and refreshing our software and firmware offerings as technologies improve. These updates occur on a regular basis, to all the agencies we serve, at no additional costs. When BI refreshed the SL2, customers were given the option of procuring the SL3 for the same price. However, BI does provide next generation equipment at an additional cost since the features and capabilities represent a new product.

Please refer to Table 58. Software Development Efforts on page 193 for more information on product enhancements BI engineers have made.



Please also see *Tab 2—Qualifications* on page 14 for a detailed history of the innovations we have released in the electronic monitoring industry during our nearly 45 year tenure.

*21. Describe the various access/security levels in your computer system? Do you offer read only access?*

To provide agencies with multiple layers of control over who can access and alter data, TotalAccess includes two levels of user permissions that are able to edit data, and one level of permissions for read-only users. Detailed information about access and security levels—including Agency Administrator, Officer, and Officer-Read Only user roles—is provided within *Proposal Section 3.1.5.9.d—Agency Level Access* on page 204.

*22. Describe the battery replacement procedures for the technologies offered.*

The LOC8 battery is field replaceable and easily snaps into place. BI's other proposed monitoring devices need to be returned to our Boulder facility for battery replacement by our skilled technicians since the devices are factory sealed to prevent water and dust from entering the case. The transmitter batteries will last continuously for the durations identified below before requiring replacement. The following table summarizes the battery capabilities of BI's solution.

**Table 64. Battery Life Specifications**

Device	Equipment Charging	Operating Life	Shelf Life
LOC8	Two Hours	Up to 40 hours	Five Years
LOC8 XT	Two Hours	More than 60 hours	Five Years
ExacuTrack One	1.5 Hours	24 Hours	Five Years
HomeGuard Transmitter	N/A <sup>6</sup>	One Year	Five Years
TAD	12 Hours	Six Months	Five Years
SL2	Five Hours	Five Days	12 Months
SL3	Four Hours	Five Days	12 Months

*Note: GPS tracker operating life is significantly expanded, up to an additional 15 hours, when the device is used with an RF beacon*

All of our equipment communicates battery information to supervisory personnel through TotalAccess. In addition, our LOC8 XT is equipped with multiple communication technologies to ensure clients understand battery charging processes.

**23. Describe the motion detection system used in the bracelets.**

The LOC8 XT, LOC8, ExacuTrack One, and TAD bracelets all contain motion detection technology. Internal motion sensors detect when the device has been motionless for a specified amount of time—as well as when the device begins moving again. The system generates a “No Motion” event to indicate that the client may have removed the device from their ankle. If the LOC8 XT, LOC8, or ExacuTrack One is unable to obtain a GPS signal after approximately five minutes, it automatically switches its positioning method to Wi-Fi. The tracking device scans for surrounding Wi-Fi Access Points (APs), submits the list of APs and associated signal strengths to the server, and TotalAccess displays GPS coordinates to render a precise location on the map.

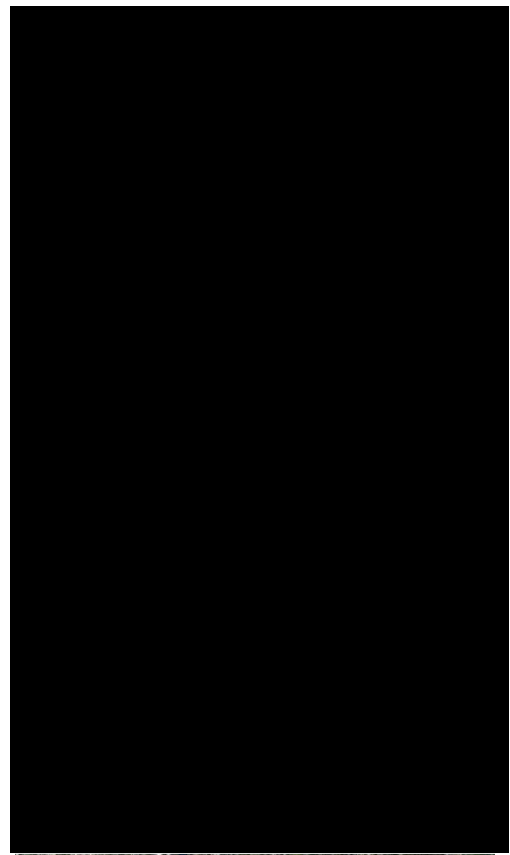
**24. List charging time frames for all technologies offered.**

See *Table 64. Battery Life Specifications* within this section.

**25. Describe any equipment you can offer for field workers to verify the location of Participants.**

BI recommends using the TotalAccess Mobile applications for field workers to verify the locations of participants. Notable TotalAccess Mobile features for locating clients at any time include:

<sup>6</sup> With a five year battery life, there is no need to recharge the HomeGuard battery. However, the device does generate an event five days prior to battery depletion.



**Figure 119. Fully-Functional Mobile Application**

To the best of our knowledge, no other electronic monitoring provider offers a fully functional mobile application.

- **Viewing Client Locations.** While in the field, Officers can request an on-demand location point from any client tracked with a GPS device. This feature provides real-time location information, supporting client supervision activities and compliance priorities.
- **Show Clients Near Me.** Officers can view clients within a specified distance of their location providing an investigative tool and information that can enhance officer safety.
- **Pursuit Mode.** When searching for absconding clients, Officers can enable GPS devices to collect and report location points at an increased rate for near-real time location tracking

In addition, as detailed throughout this response, the HomeGuard 20|20 receiver, SmartLINK, and the SL3 have the ability to collect location data that may be helpful for field workers to verify the locations of participants.

*26. Please provide a list of cell providers used for the various equipment in Arizona.*

As electronic monitoring technologies continue to evolve, we acknowledge the growing importance of cellular-based solutions. As cellular providers enhance their networks, we continue to evolve with upgrades from CDMA to LTE. BI’s partnership with Verizon provides a strategic advantage to the City: the most modern and reliable cellular capabilities. The LOC8 XT, SL3, and HomeGuard 20|20 receiver all communicate on the LTE network.

With the LTE-enabled modem in the SL3, LOC8 XT, and TAD HomeGuard 20|20 receiver, BI anticipates that the need for landline connectivity, downloaders, or ancillary signal boosting equipment will be nearly entirely mitigated. LTE modems are 5G, Low Power Wide Area (LPWA) technologies that provide longer range signal, improved battery life, and superior coverage in areas where CDMA and GSM devices may struggle to maintain connectivity.

The following table indicates how BI’s proposed devices communicate with TotalAccess.

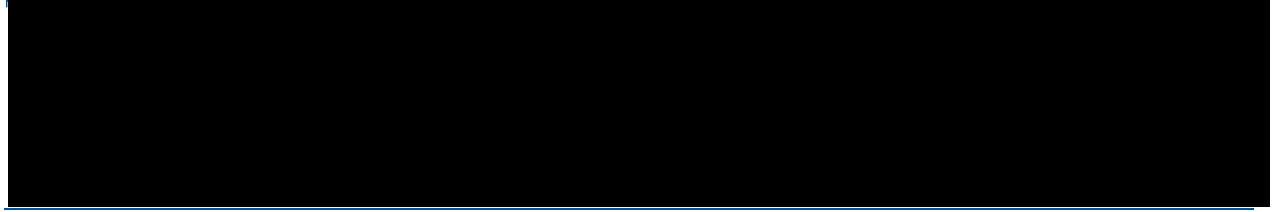
Table 65. Equipment Requirements		
Monitoring Type	Model	Connection
Active, Passive, Hybrid GPS Tracking	LOC8 XT	LTE Cellular (Verizon) or (T-Mobile)
	LOC8	LTE Cellular (Verizon) or CDMA
	ExacuTrack One	CDMA (Verizon)
Radio Frequency Device	HomeGuard 20 20	LTE Cellular (Verizon) or (T-Mobile)
	HomeGuard 206	CDMA (Verizon)
Handheld Alcohol Monitoring Device	SL3	LTE Cellular (Verizon)
	SL2	CDMA (Verizon)
Transdermal Alcohol Monitoring	TAD with HomeGuard 20 20	LTE Cellular (Verizon)
	TAD with HomeBase 110	CDMA Cellular (Verizon)

*27. Discuss any ability for crime correlation in the software system you offer?*

The vast amounts of GPS data gathered from client tracking requires that the agency have the ability to compare the location of known crimes against the locations of monitored clients. Our crime scene correlation offering consists of a two-part solution:

- Automated Correlation automatically cross-references the location of known crimes against the locations of agency-monitored clients. BI offers this capability not only through automated correlation reports, but also through our unique BI Analytics Suite.

- Manual Correlation provides users with an on-demand ability to query a point in time based on when a crime happened in a certain area.



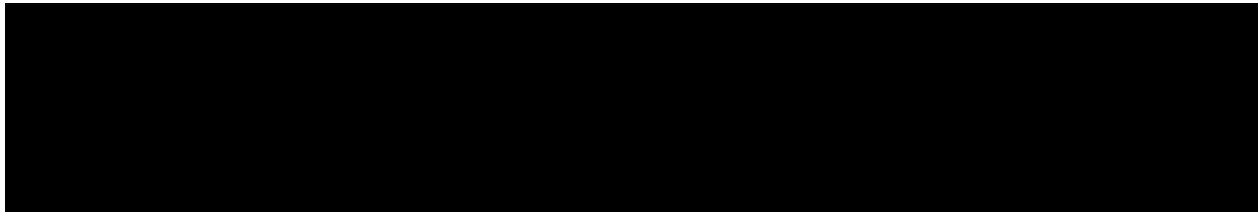
### 1. Automated Correlation: Reoccurring Comparison of Crime Locations and GPS Data

With more than a decade of experience developing crime scene correlation solutions, BI has an established *Standard Operating Procedure* that details how our system will query GPS information. BI will work closely with the City and Participating Public Agencies to collect crime data and corresponding GPS points to identify potential matches. Key components of our automated crime correlation *Standard Operating Procedure* include:

1. BI's receipt of accurate crime data is critical to our ability to correlate client locations with crime scenes. We anticipate that law enforcement and the agency will provide BI with all information necessary to perform the correlation, including the address of crime and the date and time of crime.
  - a. Although not required to perform correlation, BI's solution has the ability to accept other data fields, including the type of crime and the law enforcement agency associated with the crime.
2. BI will work closely with the agency to establish database query parameters. As detailed by the figure below, these preferences include the amount of time and distance from the location associated with the crime. The radius from the crime location can be configured from 100 to 1,000 feet, and the time range can be set to a window of 10 to 60 minutes.
3. TotalAccess automatically compiles agency-provided crime data into the BI-operated crime database.
  - a. TotalAccess translates addresses where crimes occurred into latitude and longitude coordinates, when necessary. If the data provided by the agency contains longitude and latitude information, this step in our process is not necessary.
  - b. TotalAccess automatically queries GPS points in the database and compares client locations with the crime location.
  - c. This automated query can be completed to review historical information. TotalAccess will query the last seven days of crime data; in BI's experience this timeframe accommodates changes to crime information.
    - i. TotalAccess automatically searches for correlations for the past seven days of monitoring data.
    - ii. Agency personnel can run Crime Scene Correlation reports for a specific length of time from within TotalAccess.
4. BI's Crime Scene Correlation solution continuously checks GPS points against provided crime data. As new crime data is provided to BI, the software automatically compares crime locations to GPS points.
5. After comparing collected GPS points to crime locations, TotalAccess generates a Crime Scene Correlation event for any client near the location of the crime and within the timeframe established by the agency.
  - a. Based on established and customized notification procedures, TotalAccess automatically notifies the assigned agency personnel.

- b. Upon receipt of the “Crime Scene Correlation” event, authorized personnel can login to TotalAccess to playback the client’s movement for a specific timeframe—providing officers with tools to gain further insight on potential criminal activity.
- c. The event contains a link to a map to show the location of the crime and nearby client GPS points.

To further supplement alert notification and Crime Scene Correlation capabilities, the agency can run a variety of reports specific to this feature. These reports are a critical tool to reviewing historical information about client behavior patterns and trends.



## 2. Manual Correlation: On-Demand Comparison of Crime Location and GPS Data

To supplement automated Crime Scene Correlation, TotalAccess includes a Point in Time Report that allows the agency to query any/all client locations near or around incident locations. Agencies frequently use this report to query data in near real-time for emergencies. Authorized individuals can enter the location and time of the crime into TotalAccess, and the software will query all relevant GPS data associated with the crime in near real-time.

*28. Discuss how your proposed solution utilizes mobile (iPad/Tablet) device access? If so, please describe the application and the security utilized.*

---

BI’s solution includes two advanced mobile solutions: BI SmartLINK (client-facing applications that supports supervision and case management activities) and TotalAccess Mobile (officer application that supports in-field supervision and communication). We detail these solutions within *Proposal Section 3.1.5.7—Smartphone Application* on page 169.

*29. Detail your proposed solutions ability to accommodate Trunk Lines?*

---

BI has both telephone service provider and component diversity. Two separate long-distance carriers provide redundant phone line paths for equipment calls into our Boulder, CO corporate office. All phone lines and data paths into the building are established via fiber and copper at different entry points, providing last mile redundancy. Multiple, diversely routed T1s connect our Monitoring Operations in Anderson, IN and Aurora, IL with the Boulder, providing large bandwidth for data connectivity. BI possesses the ability to increase the number of trunk lines into the TotalAccess system. However, the need for dial up modem lines continues to diminish as more cellular IP based units are sold instead of legacy, modem-based units.

*30. Discuss your solutions’ ability to cover multiple RF transmitters in group situations, such as, jails, motels, treatment facilities, shelters, dorms, etc.? Does this unit have a cell capability? Please detail this capability and include any limitations or benefits that have been identified using the cell phone option.*

---

BI’s GroupGuard is designed to monitor multiple RF transmitters in group settings and is equipped with cellular capabilities. A single GroupGuard receiver can monitor up to 75 HomeGuard transmitters at a time. This solution is fully integrated with our TotalAccess monitoring software and is available in both landline and cellular models. The next generation cellular GroupGuard device will be refreshed and offered to the City as BI’s suite of monitoring solution evolves. In addition, the HomeGuard 20|20 receiver will be able to accommodate group monitoring scenarios in the near future—this will be available to the City in the next contract term.

The current GroupGuard cellular receiver communicates with the central monitoring computer over the CDMA network, utilizing Verizon, T-Mobile, and 30 additional carriers to help ensure comprehensive cellular coverage. To compensate for the lack of landline location verification capabilities, the GroupGuard Cellular is equipped with motion detection technology. Therefore, if the GroupGuard Cellular is moved from its original installed location, the receiver promptly sends a “Receiver Motion” event alert to the central monitoring computer.



**Figure 120. Group Monitoring Solution**

GroupGuard is ideal for situations in which multiple monitored offenders are in the same location—such as jails, motels, shelters, and treatment facilities.

*31. Does the system offer the ability to set and dispatch reminder calls? If so, please describe the types of calls offered and the entry requirements. Detail how this proposed solution has been used successfully.*

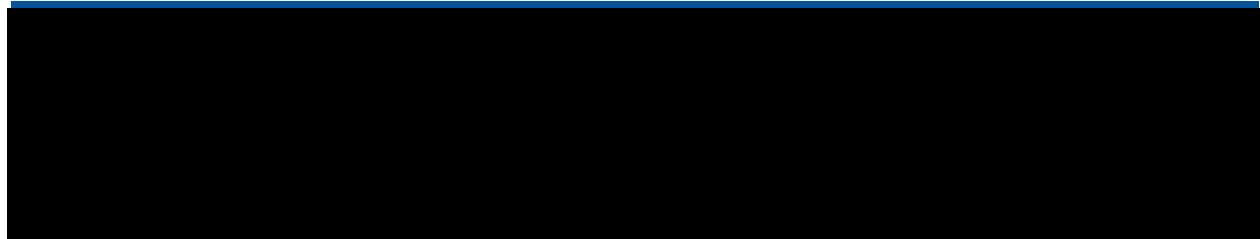
Our GPS units have beeping, vibrating, and multi-language capabilities. In situations where cellular coverage is poor, the device will attempt to download data to the central monitoring computer until it is successful, emitting a beep when the download is complete. The device also has audio capability to deliver messages to clients. A waterproof speaker plays prerecorded audio messages on demand or in response to certain events. Audio message functionality includes:

- English and Spanish audio notifications, with more than 240 other languages available through the BI Monitoring Operations Center language translation service
- Waterproof speaker protected by a tamper-evident back-plate
- Volume can be adjusted or turned off in TotalAccess
- Ability to require clients to acknowledge messages by tapping the case

The following table summarizes the types of audio notifications generated by the LOC8 XT.

Table 66. LOC8 XT Audible Client Notifications		
Category	On-Demand Messages	
Case Management	Call your officer now	Remember your appointment
	Please pay your fees immediately	Report to the office immediately
Equipment	Low battery, recharge unit	Battery charged
Location and Movement	Leaving an Inclusion Zone early	Entering an Exclusion Zone; leave now
	Leaving an Exclusion Zone	Leaving your Master Inclusion Zone

In addition, officers have the ability to easily communicate, on-demand and immediately, with clients via SmartLINK messaging features. This capability is a component of SmartLINK Connect, which is available to all individuals monitored by BI equipment at no additional charge. Also, BI Monitoring Operations can place live reminder phone calls to clients via our Agency Assist services.



*32. Does the online system proposed offer the ability to track payment information and case files on an individual participant basis?*

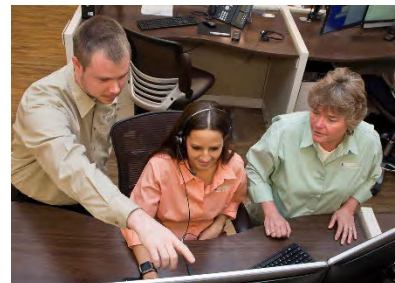
BI supports multiple client self-pay programs, and our online system can track and view payment information for an individual client. Our ability to track payments and case files is evidenced by our provision of electronic monitoring equipment and services for clients and pretrial defendants under the Administrative Office of the United States Courts since 1992. Today, BI offers solutions to approximately [REDACTED] Federal Judicial Districts throughout the United States and its territories through this program; most of the participants are designated self-pay.

Whether or not the City or Participating Public Agencies operate a self-pay or client funded program, BI's online system provides case file information to authorized users for client monitoring. As illustrated throughout this proposal, various monitoring case file information can be housed in TotalAccess for every client enrolled in a monitoring program.

*33. Does the online system provide for payment processing services such as credit card processing? Is it PCI compliant? Please discuss the process and the security incorporated in it? Also, the City may just want the ability to use the system as a payment tracking system – discuss this usability and the benefits/liabilities involved in it.*

BI accepts payment via paper check, credit card (Visa or MasterCard), or Automated Clearing House (ACH; our preferred method). For a client self-pay program, BI offers each client the ability to go online and make a credit card payment on his or her individual account. This system is PCI compliant and the process is as follows:

1. Each client must register his or her account online after receiving a paper invoice in the mail
2. An invoice number is required to validate a client's account during the registration process
3. A secure username and password is generated for account access
4. Valid credit card information must be included to submit an authorized payment.



**Figure 121. Fee Processing Services**  
BI also offers fee processing services through our Monitoring Operations center.

For a client self-pay program, each agency's monthly bill would include a client roster listing all payments received from individual clients during the month. This roster is also available in TotalAccess.

**Payment Card Industry Data Security Standard**

The Payment Card Industry Data Security Standard (PCI DSS) is a proprietary information security standard for organizations that handle branded credit cards from the major card schemes including Visa, MasterCard, American Express, Discover, and JCB. BI payment processing is performed by Zuora, a global leader in subscription payment processing. Zuora maintains all of the major compliance accreditations including PCI DSS Level 1.

The GEO Group (parent company of BI) is a publicly traded company listed on the New York Stock Exchange under "GEO". As such, we are required to file 10-K statements and undergoing a yearly audit related to our technology controls in TotalAccess.

Topics covered by the annual audit include:

- IT security policies and procedures that detail computer use, user administration, change management, program execution, etc.
- Evidence of IT policy acknowledgment by all end users—both new hires and existing employees—on an annual basis
- Network topology review

- Accuracy of system users and procedures for maintenance of system users
- Firewall and rule review
- Antivirus, intrusion detection and prevention processes and procedures
- Remote access procedures
- Change Management process and effectiveness review
- Network monitoring tools effectiveness and usage
- Incident response processes and adherence
- System security administration processes, procedures, and configuration
- Confirmation of periodic access reviews

In addition to the yearly audit, BI performs quarterly internal control audits throughout the year.

*34. Please describe the Lease/Rental/Ownership relationships proposed in the service plans being offered. Detail the benefits/liabilities of each plan for the consideration of the City and other participating Public Agencies.*

---

Based on the unique needs City and Participating Agencies, BI has the ability to offer lease, rental, or purchasing programs.

**Rental Programs.** Rental programs are the most commonly used pricing model within the electronic monitoring industry. If the agency decides to rent equipment, BI will provide the latest design of every requested item, inclusive of all one-time-use consumable items and necessary supplies. All rental devices BI offers will be in excellent condition and new or refurbished to perform like new. Under a rental model, BI retains ownership of all equipment and the agency pays a rental fee and a separate monitoring fee, combined for one daily rate.

**Leasing Programs.** Leasing programs provide agencies with a fixed number of devices for a specific timeframe, often 36-48 months. Under this model, the agency will be charged a fixed monthly equipment leasing fee as well as monitoring fees for active units, at a daily rate.

**Purchase Programs.** This type of contractual model allows agencies to outright purchase a defined number of units. Purchase programs include installation supplies and one year of maintenance and warranty. After the initial one-year maintenance period, BI provides the option for agencies to purchase additional annual maintenance programs and will charge applicable telecommunications fees on cellular equipment. Similar to leasing programs, BI will charge the agency a daily monitoring rate for agency-owned active units.

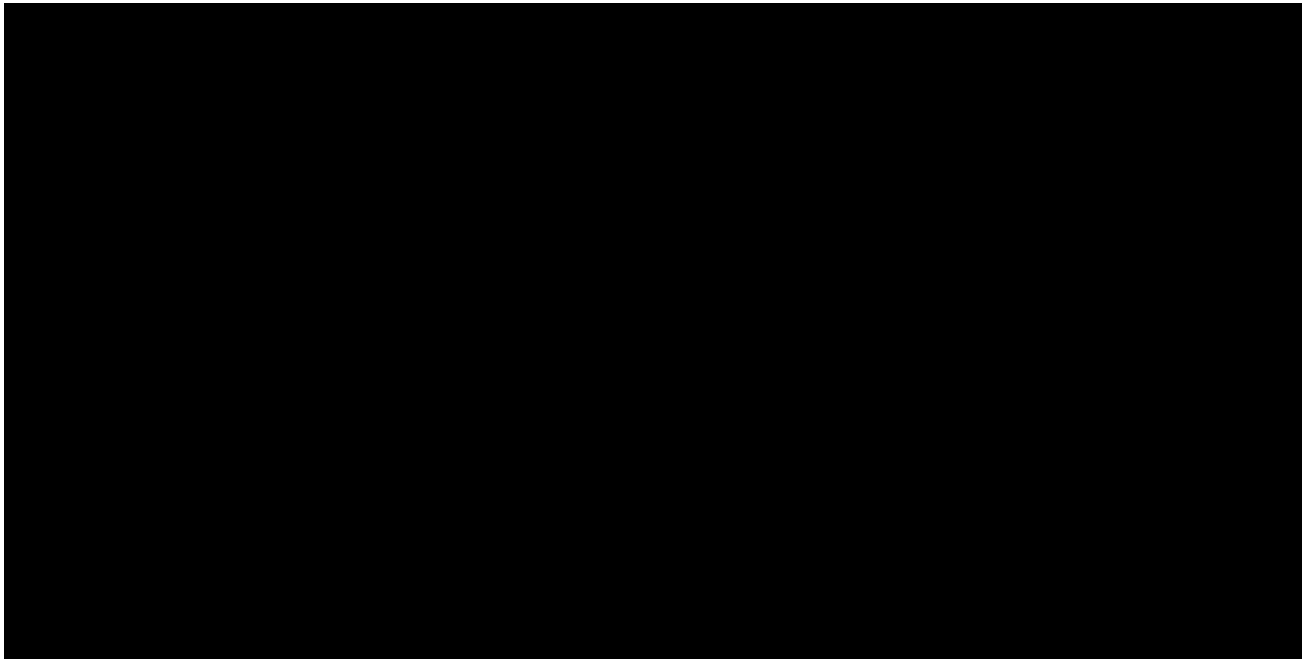
*35. Describe any mapping functions available on Contractor's proposed equipment solution. How accurate or detailed is this function? Also detail how this function may be incorporated in the reporting being proposed.*

---

TotalAccess uses Google Maps application programming interface (API) to provide accurate real-time geographic data, including satellite imagery, street maps, 360 degree panoramic street views, and route planning. Google Maps satellite view provides a "bird's eye" perspective and is automatically updated with the latest satellite imagery available. Most satellite imagery displayed is no more than three years old.

Authorized users have several map views to choose from when setting up zones, running reports, and viewing client movement in TotalAccess. Agency personnel can easily zoom in and out of maps from street level to statewide. With this feature-rich functionality, users can create precise zones and see client movement with extreme accuracy.





**Figure 122. TotalAccess Mapping Capabilities**

TotalAccess uses Google Maps to display client movements and geographical information—providing the most up to date satellite imagery available. TotalAccess allows authorized personnel to display GPS points, view corresponding alerts and events, request an on-demand client location fix, and view zones.

*36. Describe in detail the proposed monitoring software as it relates to the capabilities for Breath Alcohol Monitoring.*

From within TotalAccess, users can configure each client’s breath alcohol device for scheduled, random, and/or on-demand breath alcohol testing. Agency personnel can schedule tests to occur at any hour, seven days a week. Using TotalAccess, authorized personnel can easily add or edit client-testing schedules as detailed below. See *Proposal Section 3.1.5.4—Alcohol Monitoring* on page 137 for detailed information about TotalAccess breath alcohol monitoring capabilities.

**Table 67. Breath Alcohol Testing Schedules**

Type of Schedule	TotalAccess Process
<b>1. Fixed Test Schedule</b>	Specify the Test Window—the amount of time that the client has to complete a test
	As desired, enable automated text messaging to remind the client of impending tests
	As desired, enable automatic retesting for test results of 0.02 BrAC or higher
	Click on the displayed Calendar to select the desired testing time(s) and day(s)
<b>2. Random Test Schedule</b>	Specify a start time and an end time for the random testing window
	Users can create up to four random test schedules per day in addition to fixed test schedules
<b>3. On-Demand Test</b>	Click the On-Demand Test button

*37. Describe the process for validating an alcohol event.*

The TAD is court validated and uses industry standard technology to monitor client compliance with supervision terms. Frye and Daubert tests are the recognized standards for admitting scientific evidence into most courts. BI understands the rigors of these standards and their key elements including scientific theory, peer review, reliability of a known error rate, and general acceptance within the scientific community. The Daubert standard has been applied in numerous court cases for qualifying BI's witness as an expert and accepting the evidence provided by our proposed equipment.

Two departments within BI provide validation and analysis of alcohol events for TAD:

- **Engineering Department.** This department offers expert insight into product functionality and the data it generates. The Engineering Department is responsible for training the Technical Lead Department in the functionality and interpretation of data collected by the unit.
- **Technical Lead Department.** This department is located within BI's Monitoring Operations facility and serves as the first level of response for TAD confirmation requests. This team consistently provides a response to the request within 24-hours of receipt. Our Monitoring Operations personnel evaluate the alcohol event against the criteria established for transdermal alcohol absorption and elimination rates. Technical Lead personnel are thoroughly trained by the Engineering Department and participate in regular refresher training.



**Figure 123. Proven, Reliable Alcohol Detection**

To the best of our knowledge, TAD was the first device in the industry to offer continuous alcohol monitoring and curfew monitoring in a single device. As a result, the agency can monitor sobriety and curfew compliance with one easy to use, reliable solution.

The majority of alcohol test validation requests received by BI are related to the TAD solution. However, we will provide a similar alcohol validation process for our suite of breath alcohol monitors, including the SL2, SL3, and Sobriotor. BI confirms that all proposed alcohol technologies are court validated.

*38. Describe the process for determining a tamper with the equipment.*

All of BI's solutions include advanced tamper detection technologies—for example strap, motion, proximity, and case sensors—to determine if the client attempts to tamper with the device. We detail these technologies in *Proposal Section 3.1.4.5—Offender Monitoring System Operation* on page 84.

*39. Describe the BAC range offered in the alcohol monitoring equipment. Detail how this range may be enhanced or any barriers that may affect this equipment's operation. Include in that description how this is reported to the end user.*

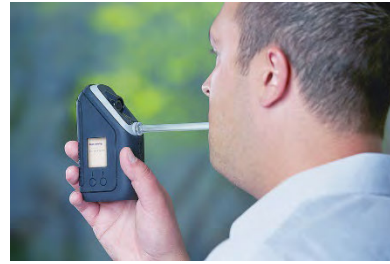
BI's proposed products measure Breath Alcohol Content (BrAC) and Transdermal Alcohol Concentration (TAC)—which is closely correlated to BAC levels. This equipment then communicates the alcohol reading received from the client and generates an alert if the value is greater than or equal to the pre-established failure value.

**SL3 BrAC Range.** The SL3 collects a deep lung sample from an individual and uses a conversion calculation to determine the amount of alcohol in the body by the concentration of alcohol in the breath. The SL3 provides Breath Alcohol Content (BrAC) readings with results that are accurate to within +/- .005 of the individual's BrAC. This level of accuracy is consistent up to a BrAC level of 0.100.

The SL3 measures breath alcohol tests with a high degree of accuracy. When a person consumes alcohol, it is absorbed into the blood stream. The exchange of alcohol from the circulating blood into the person's lungs occurs during the breathing process.

**TAD TAC Range.** The TAD detects and reports alcohol events over a 0.020 TAC threshold. TAC is highly correlated to BAC. Alcohol travels from mouth to stomach to blood stream to soft tissues before being excreted as sweat or vapor. All TAD events are date and time stamped at the time of the event occurrence and when that data was received by the central monitoring computer. The TAD communicates all program and equipment information to the HomeGuard 20|20 receiver or HomeBase receiver when the transmitter enters the range of the receiver. The receiver then sends all event messages, including equipment and program data, to the central monitoring computer via cellular or landline networks. There are over 75 configurable TAD events and alert messages. City personnel can elect to be notified of alcohol events through an automated means, including text message and email notifications.

**Other Products.** The SL2 has a BrAC range of 0.000 to 0.400, and the Sobrietor has a BrAC range of 0.010 and higher.



**Figure 124. Highly Accurate BrAC Results**

The BI SL3 remote alcohol monitoring device builds on scientifically proven sensor technology to reliably measure alcohol content for more testing cycles than previous generations of alcohol monitoring devices.

*40. What is the standard trans-dermal testing interval that is optimal for the proposed equipment? How does that change when alcohol is detected? Discuss the warnings that are generated and reports that may also be generated.*

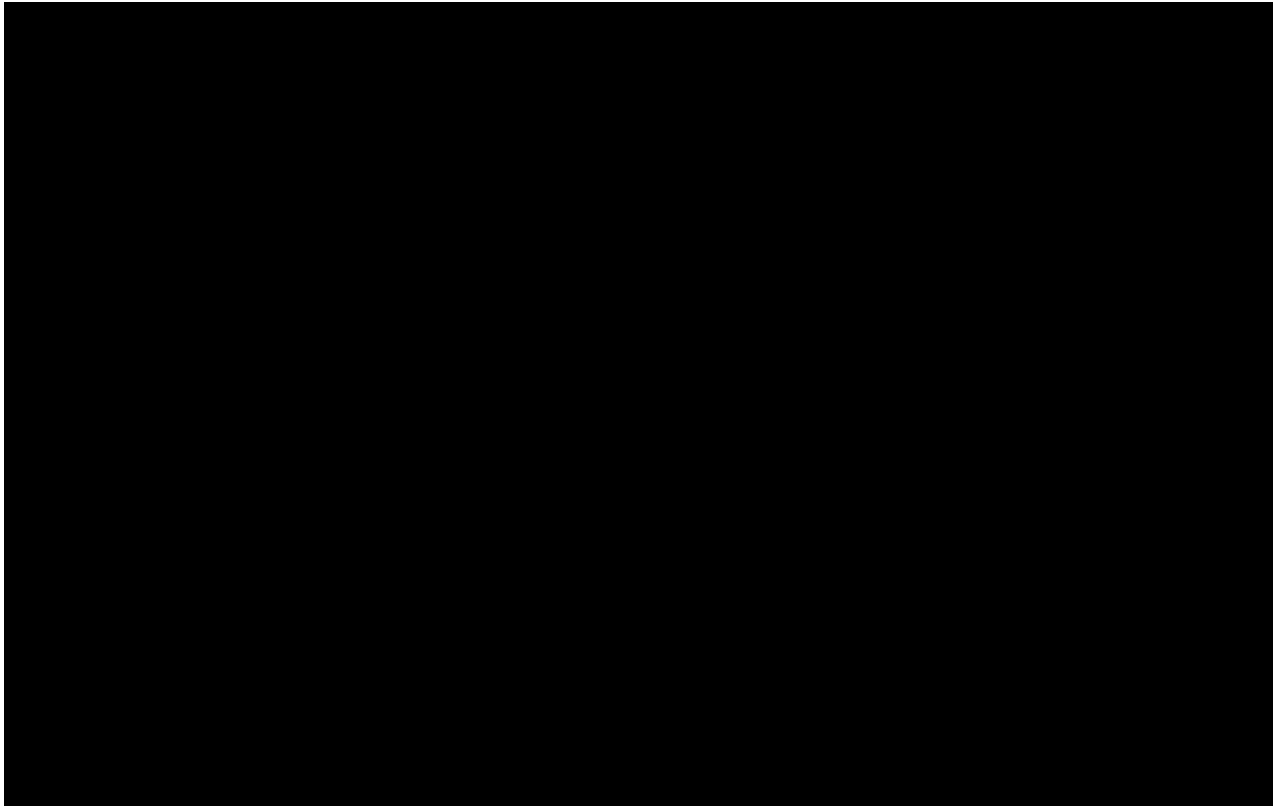
The TAD samples the client's perspiration every minute for alcohol detection and records an average of all samples every five minutes, providing 288 data points within a 24-hour testing period. Other transdermal solutions test perspiration once every 30 minutes, providing only 48 data points within a 24-hour period. This interval does not change if alcohol is detected.

When the TAD unit comes within range of the TAD HomeGuard 20|20 or HomeBase receiver, all program and equipment information is promptly sent to the central monitoring computer via encrypted channels, eliminating the need for pre-determined transmittal times for analysis and reporting. Alcohol related alerts and events are discussed above, and include:

- **Alcohol Sensor Saturation.** The Alcohol Detection Module (ADM) is fully saturated.
- **TAD Alcohol Event.** The TAD transmitter has detected the presence of alcohol through the ADM.

City personnel can elect to be notified of alcohol events through an automated means, including text message and email notifications. When the central monitoring computer receives information from field equipment regarding client non-compliance, the unit will immediately enact the notification procedures specified by the City or Participating Public Agencies.

The graphic on the following page summarizes the types of information available in TotalAccess to validate TAD-detected alcohol events.



**Figure 125. Validating Alcohol Events**

The data collected from the TAD can be viewed in TotalAccess. The agency can customize the parameters for each TAD device. If officers are unsure whether a drinking event occurred, trained BI Monitoring Specialists can assist in interpreting TAD graphs.

*41. Are the receivers for the trans-dermal alcohol monitoring available in phone line and cell varieties? Please detail the availability of the receivers and how they function with either or both options listed.*

In the ensuing contract term, the TAD will report to the HomeGuard 20|20 receiver, providing the City and Participating Agencies with several advanced features that are simply unavailable from other providers.

As an added layer of security to ensure the device remains within the client's home, the HomeGuard 20|20 receiver will collect a GPS point on a regular basis, for example once a day. This feature will alert agency personnel of any unauthorized movement of the device. Should the receiver detect movement, the HomeGuard 20|20 will collect a GPS point every minute while in motion and up to 10 minutes after becoming motionless. If GPS is unavailable, the receiver will use Wi-Fi access points to record a location point. In addition, the receiver is equipped with a 3.5 inch color touch LCD receiver screen that displays text messages from officers.

The following table details additional key features of the HomeGuard 20|20.



**Figure 126. HomeGuard 20|20 Receiver**

In the ensuing contract term, the agency will have access to our newest receiver, the HomeGuard 20|20. This innovative receiver provides features that are simply unavailable from other vendors.

**Table 68. HomeGuard 20|20 Receiver**

Feature	Impact
Communication capabilities	Via LTE cellular technology or landline telephone
Firmware Over-The-Air (FOTA)	The agency does not need to return devices for updates
Location verification via GPS	The receiver can record a GPS point once a day, week, or month
Location verification during motion events	After the agency-configured grace period expires, the receiver will collect a GPS point every minute while in motion and up to 10 minutes after becoming motionless. The GPS acquisition interval while in motion is a configurable within TotalAccess.
Wi-Fi positioning technology	If GPS is unavailable, the receiver will use Wi-Fi access points to record a location point
Enhanced monitoring data	Receiver is equipped with 3 axis motion sensor, case tamper detection, power status, and audio alarm technologies—ensuring that potential receiver issues are reported
Client acknowledgement	3.5 inch color touch LCD receiver screen that displays text messages from officers

BI also offers the TAD-compatible HomeBase receivers, which include landline and cellular capabilities.

*42. In addition to the GPS System Specifications listed, describe your solution to this requirement and any additional components your product offers as they relate to the GPS requirement.*

Understanding that monitoring client locations is central to Offender Monitoring Programs, BI has a suite of GPS solutions available to the City and Participating Public Agencies. In addition, many of our solutions include GPS capabilities to supplement other monitoring technologies. The following graphic summarizes our suite of GPS products.

### BI CONTINUUM OF GPS SOLUTIONS



**LOC8 XT**



**LOC8**



**ExacuTrack One**

*43. Describe the communication options your solution offers.*

The following table details how BI’s proposed devices communicate with TotalAccess and the frequency of communications.

**Table 69. Communication Options**

Monitoring Type	Model	Connection	Reporting Interval
GPS	LOC8 XT	LTE Cellular	Configurable—as frequent as every 15 seconds when <i>Pursuit Mode</i> is enabled or when in violation
	LOC8	LTE Cellular	

**Table 69. Communication Options**

Monitoring Type	Model	Connection	Reporting Interval
Radio Frequency	ExacuTrack One	CDMA Cellular	Callback frequencies are configurable in TotalAccess, and the device reports violations upon occurrence
	Downloader	Landline	
	HomeGuard 20 20	LTE Cellular	
	HomeGuard 206	CDMA Cellular	
	HomeGuard 200	Landline	
	GroupGuard	Landline	
Smartphone Solutions	SmartLINK	LTE Cellular	Communication via the mobile applications are available on demand and all data is stored in TotalAccess in near real time
	TotalAccess	LTE Cellular	
Alcohol	SL3	LTE Cellular	Breath alcohol tests can be scheduled, random, or on demand
	SL2	CDMA Cellular	
	Sobrietor	Landline	
	TAD with HomeBase 105	Landline	Regardless of paired receiver, the TAD solution will report all violation and alcohol information upon entering the range of the receiver based in the client's home
	TAD with HomeBase 110	CDMA Cellular	
	TAD with HomeGuard 20 20	LTE Cellular	

**44.** Describe the process for notification for participants of exclusion zones both known and unknown. Detail any levels of notification being offered, their benefits and when they would be set-off.

To provide reporting solutions for all client types, TotalAccess offers fully customizable City and client notification settings. For known Exclusion Zones, officers have the ability to print out zones and require clients to sign a zone acknowledgement document. For unknown exclusion zones, officers are able to turn off notifications from the tracking unit to the client, while still allowing officers to respond to zone violations.

In addition, users can configure the LOC8 XT, LOC8, or ExacuTrack One to play automated, pre-recorded events in response to zone violations. When this feature is enabled, and internal speaker in the GPS unit will announce “Entering and Exclusion Zone, Leave Now”.

**45.** Does the GPS equipment have the ability to switch to Radio Frequency mode in known locations, i.e. residence/place of employment? Please discuss this ability and how it may be used.

The LOC8 XT, when paired with an optional beacon, provides GPS tracking and RF curfew monitoring. These technologies report all monitoring information to TotalAccess through cellular connectivity—no landline is required. The LOC8 XT beacon is field replaceable and contains the external battery charger, simplifying inventory management. This allows agency personnel to easily pair a LOC8 XT device with a beacon using the TotalAccess software and then install



**Figure 127. LOC8 XT and Beacon**  
From within TotalAccess and TotalAccess Mobile, the LOC8 XT can be paired with any LOC8 XT beacon.

the paired beacon in the desired location, without the need to return any equipment to BI.

The LOC8 and ExacuTrack One also offer beacons with similar capabilities.

*46. Describe the GPS service plans offered in detail and how they meet the requirements of this RFP.*

The LOC8 XT is a highly configurable device that allows agency personnel to track client locations and movements in the community in near real time and at the desired level of intensity; this includes active, passive, and hybrid tracking options. In accordance with the selected service plan, the device can be configured to collect a date- and time-stamped GPS point once every minute—and as frequently as once every 15 seconds. In addition, the LOC8 XT can be configured to report its collected data to the monitoring computer system once every hour—with available functionality for more immediate reporting when violations occur.



**Figure 128. LOC8 XT Device Configurations**

During enrollment an officer has the ability to adjust how the LOC8 XT device detects location points, reports data to TotalAccess, and notifies the client of messages. These settings are predetermined by the agency, but may be modified to fit a client’s specific circumstances.

Community supervision programs often require both active and passive GPS service levels. Accordingly, the LOC8 XT has numerous service plan offerings that allow agency personnel to specify:

- How frequently the device collects a GPS point
- How frequently the device reports data to the monitoring system
- If Wi-Fi and/or cellular tracking technology will be used in the unlikely event that GPS is unavailable
- If Zone Crossing technology will be used to increase the frequency of GPS collection and data reporting if the monitored client commits a zone violation

Authorized personnel can adjust active or passive reporting modes through TotalAccess without interacting with equipment.

The LOC8 and ExacuTrack One also offer highly configurable service plan options.

*47. Discuss how your solution uses batteries, identifying the types of batteries used and when a transmitter battery is low and sends a notification, how long before the battery dies?*

As BI’s continuum of solution includes battery that are both rechargeable and replaceable, as detailed by the following table. Please see Table 64. Battery Life Specifications on page 232 for more information on BI devices battery life.

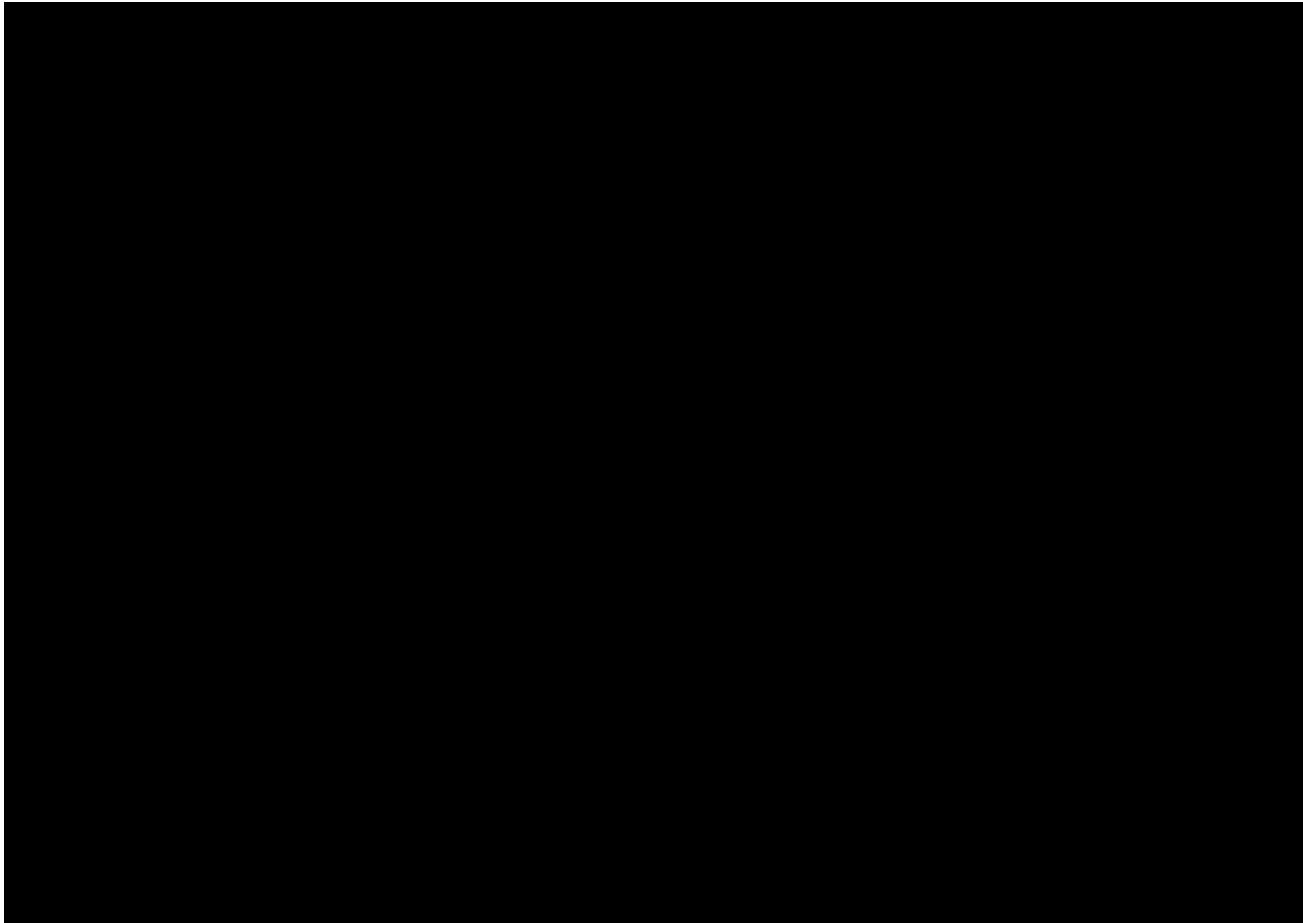
Table 70. Battery Usage and Notification		
Monitoring Type	Battery Type	Notification of Low Battery
LOC8 XT	Rechargeable	The tracker battery has 25% power remaining
LOC8	Rechargeable	The external battery has four hours of battery life remaining or the client removed the external battery for more than 40 minutes
ExacuTrack One	Rechargeable	The tracker battery has 25% power remaining
HomeGuard	Replaceable	The transmitter emits a low battery message five days before the battery requires replacement
SL3	Rechargeable	Displayed on the SL3 screen
SL2	Rechargeable	Displayed on the SL2 screen

**Table 70. Battery Usage and Notification**

Monitoring Type	Battery Type	Notification of Low Battery
TAD	Replaceable	The transmitter emits a low battery message five days before the battery requires replacement

*48. Explain the parameters that are used in setting up GPS exclusion/inclusion zones. Shapes, sizes, etc.*

Through TotalAccess, agencies can create, delete, and modify zones, as well as apply schedules to the zones, at any time. TotalAccess provides extensive zone creation functionality designed to accommodate complex client schedules and reporting conditions. As summarized by the following graphic, TotalAccess includes extensive options for zone shapes and sizes, as well as several zone types differentiated by color, including Primary Location Zones, Inclusion Zones, Exclusion Zones, Areas of Interest, and Master Inclusion Zones.



**Figure 129. TotalAccess Zone Creation**

Users can create zones in TotalAccess in feet and miles. After drawing a zone, users can select parameters, such as feet and miles in the shape of the zone, regardless of circle, square, or customized shape.

For detailed definitions on zone types, see *Proposal Section 3.1.5.9.b* on page 200.

To add a zone in TotalAccess, authorized users perform the following actions:

1. From the Caseload Snapshot Screen, select the client by clicking on the individual’s name



2. Click on the “Zones” tab and select “Add Zone”
  - a. This will open the *Zone Creation Screen* that includes three steps to create the zone
3. On the “Step 1” tab, select the type of zone, enter a zone name, and determine any associated grace periods associated with the zone
4. Click the save icon and proceed to the “Step 2” tab
5. If known, enter the address or zip code in the “Location” field to center the map on the appropriate location
6. Click the icon on the left of the screen to select a method to draw the zone: freeform, rectangle, or circle
  - a. This action will produce in-application directions to guide the user through drawing the zone
7. Click the “Finish” button and “Save” icon
8. Proceed to the “Step 3” tab and select “Add Schedule”
9. Populate the schedule fields that indicate when the client should be in the zone and click the “Save” icon

*49. Are there different levels in sounds volumes available on the GPS units? If so, how are those levels set? May these levels be affected remotely, if so how?*

BI’s GPS devices have speakers with multiple volume levels that can be remotely configured in TotalAccess.

*50. In the event of GPS blocking and/or jamming, how does the system generate an alert? What parameters are viewed by your solution as being “GPS blocking” or “GPS jamming”?*

Occasionally, high-powered frequencies interrupt the signals between GPS satellites and any type of tracking device. Specifically, when clients are monitored using GPS tracking, the individual may purchase an illegal GPS jamming device designed specifically to prevent tracking devices from collecting and reporting location information. To identify if the client is intentionally attempting to jam GPS signals, BI devices are capable of detecting specific GPS jamming frequencies.

Our GPS devices can detect if a client uses a GPS jamming device in an attempt to interfere with GPS acquisition. When the device detects GPS interference for five continuous minutes, the device generates a corresponding “GPS Jam Detect” message. Similarly, if the tracker is unable to acquire a position fix, the device generates a “No Position Fix Available” message—allowing authorized personnel to distinguish easily between GPS jamming and a loss of the GPS signal that does not involve intentional jamming.

*51. What types of GPS solutions are available in your equipment? Does your proposed solution have any training available for the end user to use? How is this training accessed? Are there any restrictions regarding this training? Is there any training available for the participant to use that discusses the barriers? Is this training available in Spanish or other languages?*



**Figure 130. GPS Jamming**

In the event of tamper events—including GPS jamming, and loss of GPS—the tracker will promptly reports to the monitoring computer system, regardless of the next specified reporting interval.

## 1. Types of GPS Solutions

**GPS Ankle-Worn Trackers.** BI’s system is capable of electronically monitoring and tracking a client’s presence or absence from locations that may be specified during specific periods. BI’s proven tracking device, the LOC8 XT detects the client’s location through multiple technologies, records client’s

movements in real time, and reports data at agency-specified intervals. In addition, TotalAccess will notify the agency of any violations upon occurrence. The LOC8 XT uses several location detection technologies to accurately track client movement, including Autonomous GPS, Assisted GPS, RF for in-home curfew monitoring, Wi-Fi, and Cellular Location Detection.

All BI GPS products—including our legacy LOC8 and ExacuTrack One—use similar location detection technologies.



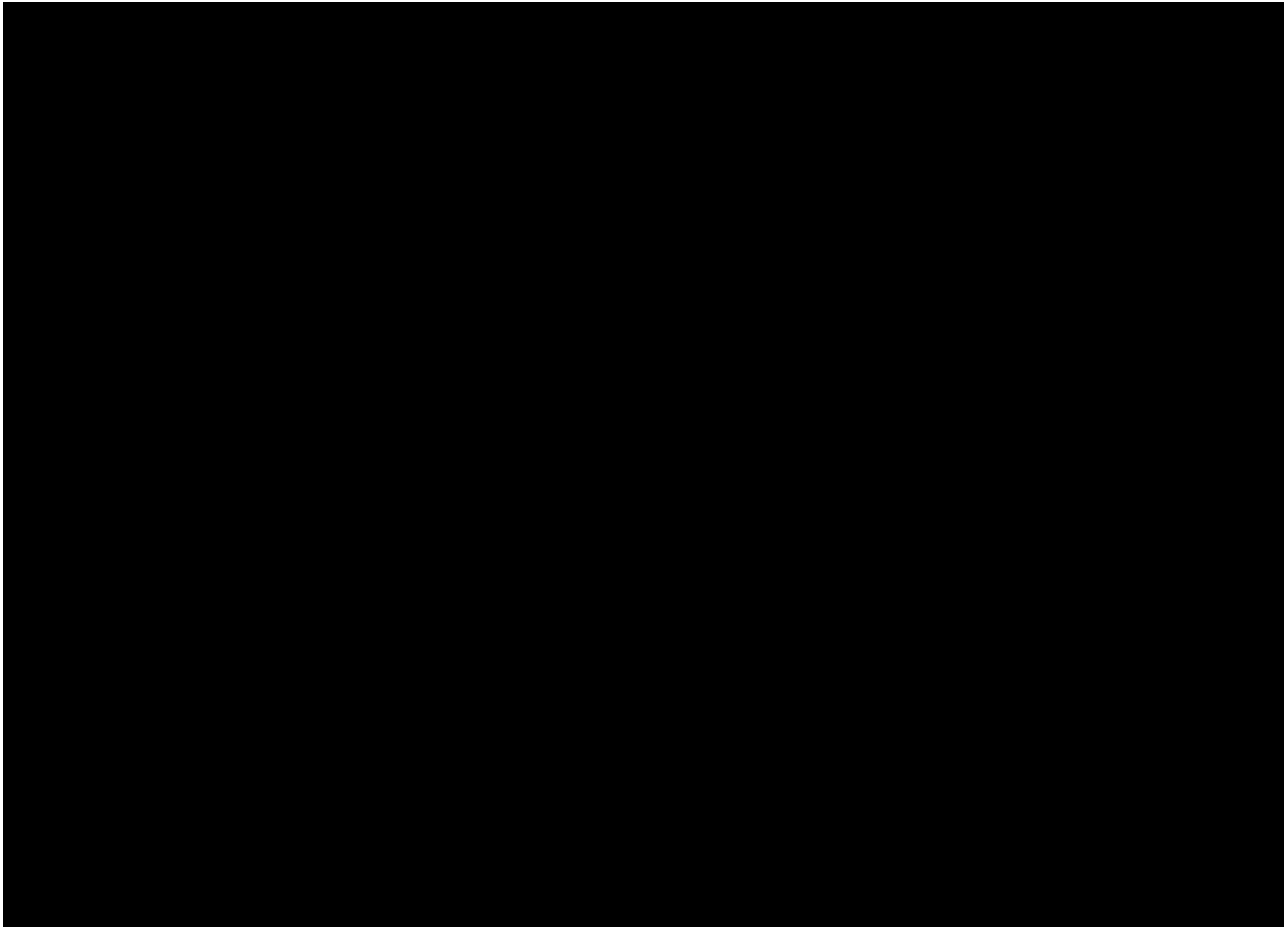
**Figure 131. LOC8 XT Location Detection**

The LOC8 XT is able to determine a client’s location through four distinct technologies.

**RF Receiver GPS Capability.** In the past, determining if the client moves a cellular RF receiver to an unauthorized location has been limited by receiver technology. Understanding that monitoring the location of cellular receivers is critical to curfew compliance programs, BI engineers developed the HomeGuard 20|20 to collect location data via GPS and Wi-Fi Access Points. This technology provides an additional layer of security to ensure the client does not attempt to relocate the receiver and requires no active participation from the client. The HomeGuard 20|20 receiver collects GPS or Wi-Fi points in the following circumstances:

- **Scheduled:** From within TotalAccess, Authorized users can customize the frequency the receiver collects a GPS point, as often as once a day, to verify location
- **When in Movement:** When the motion detection sensor in the receiver detects that the unit has been moved, the device will automatically begin to collect a GPS point every minute.
- **On-Demand:** Authorized users can remotely “ping” the receiver to report the device location, on demand, from TotalAccess.

The following figure summarizes these capabilities.



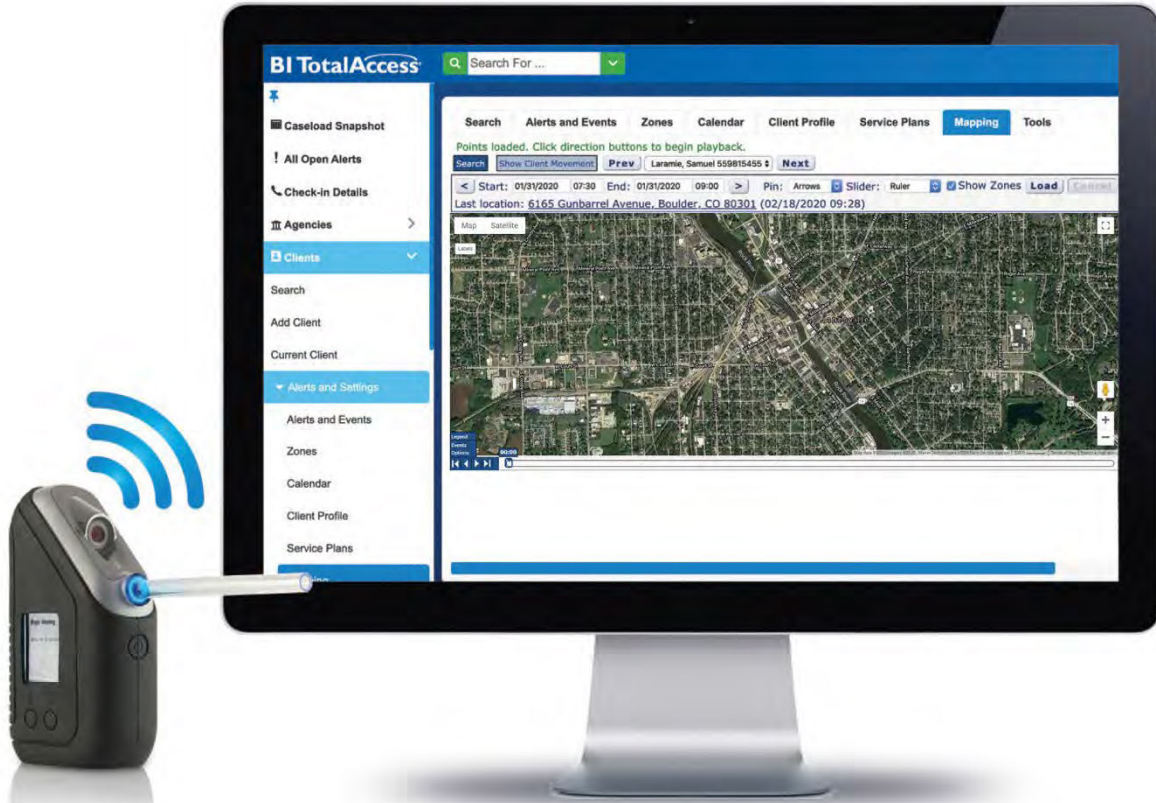
**Figure 132. HomeGuard 20|20 Receiver: Location Detection**

From within TotalAccess, authorized users can review the GPS, Wi-Fi, and cellular location data collected by the HomeGuard 20|20 receiver, providing supervision information simply unavailable from other devices. This image depicts a client taking the

**Breath Alcohol GPS Capability.** During each alcohol test, the SL3 records a GPS point to provide the agency with an accurate client location fix. In the unlikely event a GPS point is unavailable, the device will automatically use cellular location detection technologies. These location detection technologies provide the ability to track the device within 500 feet at all times. From within TotalAccess, authorized personnel can view a map that visually displays the location recorded at the time of the test. This feature enables authorized personnel to:

- Zoom in/out and move the map around
- View if the recorded position fix is GPS or cellular-based
- View the accuracy of the recorded position fix—measured in meters and shown as a radius

The SL2 also has this capability.



**Figure 133. Detailed GPS Point Information**

TotalAccess maintains a data link with Google Maps and is updated automatically with the latest satellite imagery available. This ensures that all maps within TotalAccess are current. Agency personnel can review GPS points on street and aerial map views. Users can also locate local landmarks such as liquor stores, bars, or other higher risk establishments.

**Client SmartLINK GPS Locations.** Agency personnel can confirm client location and event participation by using the SmartLINK *Check-In* feature. This capability processes biometric check-ins against any GPS Inclusion Zone to confirm presence or absence at required locations.

**BI Mobile GPS Locations.** BI Mobile collects location points using GPS, Wi-Fi, and cellular location technologies, and TotalAccess processes these location points against any assigned GPS zones. BI Mobile runs on a custom operating system, ensuring agencies can validate the legitimacy of location points; there is no way for the client to restrict the tracking functionality, close the application, or dismiss permissions.

## 2. Training

All of BI’s proposed equipment comes with simple, easy to follow instructions. As a part of our proposed pricing, BI has included initial training, refresher training as needed, and weekly or ad-hoc training online training. BI has extensive experience developing City-specific training, and we will continue providing this service as needed at no additional charge.

BI’s webinar trainings allow City personnel to follow up and refresh their product knowledge without having to schedule an on-site training. All that is required for the onsite trainings is a room large enough to hold all training attendees and a computer connected to the agency’s network. Webinar trainings require trainees have access to a computer with an internet connection and a telephone.

Training can be provided by BI in Spanish. Training provided to clients is delivered by the City or Participating Public Agencies.

*52. Does your solution offer a secondary bracelet/device that may be used by a victim? Please detail this option and how it may be used?*

While BI provides a solution designed to automatically notify designated personnel (including victims) of zone violations, there is no viable solution on the marketplace that “ensures victim safety.” Our approach to working with agencies that require this type of notification is detailed within this section, and BI looks forward to discussing victim notification approaches, liabilities, and solutions with the City and Participating Agencies at any time during proposal evaluation.

With LOC8 XT, LOC8, and ExacuTrack One, officers establish both inclusion and restricted (exclusion) zones for the monitored client. The TotalAccess software then automatically assigns a buffer zone around the agency-defined exclusion zones. To streamline the monitoring process for cases with victims involved, officers can draw exclusion zones around the victim’s residence, place of work, local grocery store, or other locations that the victim often frequents. If the monitored client enters into the exclusion zone assigned to the victim, the central monitoring computer automatically sends a text message notification to the victim’s cellular phone. The central monitoring computer also sends a simultaneous notification to pre-defined agency staff.

BI offers two types of victim notification solutions:

1. **Automated Victim Notification:** TotalAccess will automatically generate an email or text message to the victim, alerting the individual that the monitored client has entered an Exclusion Zone or other violation.
2. **Live Phone Call Victim Notification:** TotalAccess will automatically generate an alert to inform BI Monitoring Specialists of the event. Based on a script pre-approved by the City, the Monitoring Specialist will place an outbound call to the victim to alert the individual of the violation.

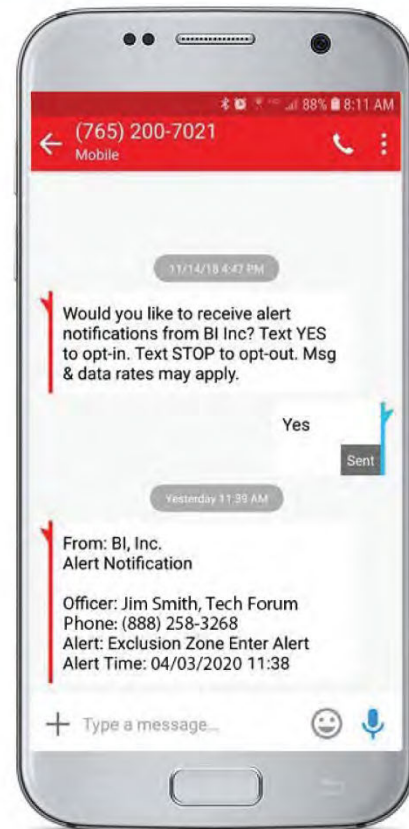
As detailed within the *Pricing Section* on page 271, there are no costs associated with Automated Victim Notification. However, there are additional costs associated with BI’s Live Phone Call Victim Notifications.

### City Responsibilities

Prior to being placed on BI’s system, we will require City to submit completed victim disclosure/acknowledgement forms. BI has provided samples of these forms within this section of our proposal. The City will be responsible for orienting victims and obtaining victim signatures and mobile phone contact information.

City personnel will be responsible for overall management of the victim notification program, including:

- Working with victims to ensure that they are properly informed of the client’s placement on GPS
- Instructing victims as to what is required of them



**Figure 134. Victim Opt-In**

After enrollment, TotalAccess automatically asks the victim via text to verify or “opt-in” to notifications.

- Training the victim on how they will receive notifications from the monitoring system
- Ensuring that each victim has a text-ready cell phone
- Conducting testing on victims' cellular devices to ensure that the device is able to receive notifications from the monitoring system
- Entering the victim's information into TotalAccess. This will allow the victim to "opt in" to receive notifications from TotalAccess, and serves as a confirmation that the device is enabled to receive these notifications

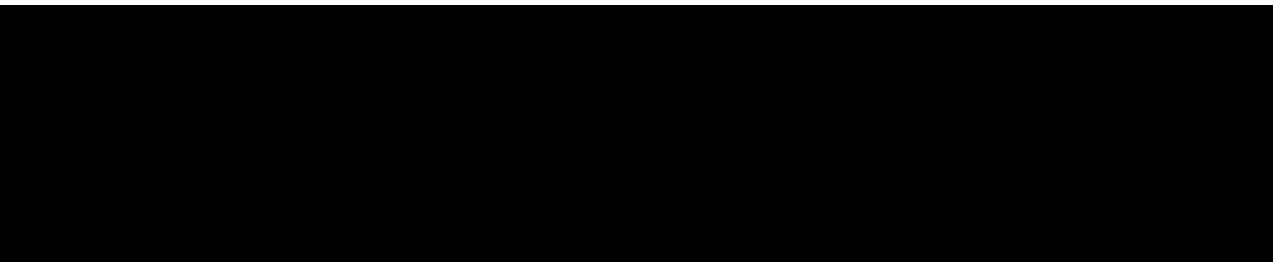
### Relevant Documentation

Prior to being placed on BI's system, we will require the agency to submit completed victim disclosure/acknowledgement forms. BI will provide a copy of this form to the agency upon request. The agency will be responsible for orienting victims and obtaining victim signatures and mobile phone contact information.

As BI will not have direct contact with any victim in our automated victim notification solution, the agency will be responsible for maintaining all direct contact with victims. This includes:

- Working with victims to ensure that they are properly informed of the client's placement on GPS
- Instructing victims as to what is required of them
- Training the victim on how they will receive notifications from the monitoring system
- Ensuring that each victim has a text-ready cell phone
- Conducting testing on victims' cellular devices to ensure that the device is able to receive notifications from the monitoring system.
- Entering the victim's information into TotalAccess. This will allow the victim to "opt in" to receive notifications from TotalAccess, and serves as a confirmation that the device is enabled to receive these notifications.

After enrollment, BI's monitoring system will notify victims on the specified alerts via automated text message.

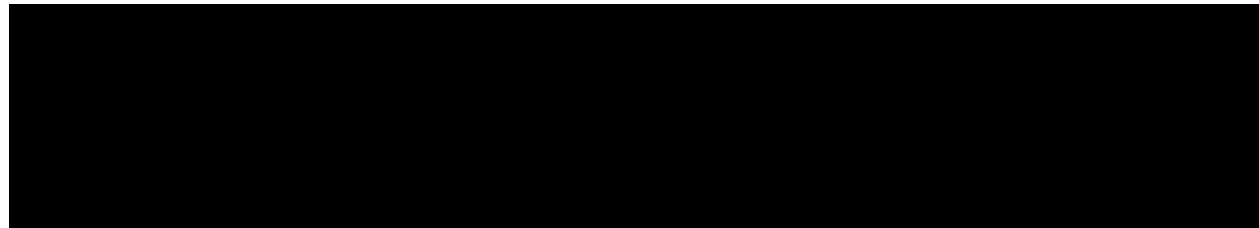


*53. Describe the phone technologies/companies that the RF units are compatible with. Include detailing phone technologies/companies that the RF units are not compatible?*

BI's RF solution, including our suite of HomeGuard, GroupGuard, and TAD technologies, is compatible with all standard landline phone connections. While digital phone service (cable or VOIP) can be used with the HomeGuard 200 system, digital phone service (DPS) does not support HomeGuard location verification functionality, which is a key component to client accountability. A HomeGuard receiver installed at a residence with DPS cannot be guaranteed to call in from the same "location" on all future calls.

VoIP Interface Adapters can be moved and reconnected to any physical location offering Internet service, which means that a location verification test may incorrectly report that nothing has changed. This is because the phone number itself resides within the VoIP Interface Adapter and not the residence. During extensive testing, BI found that a good DPS connection did not interfere with BI equipment functionality as compared to normal cellular communications.

For these reasons, BI strongly recommends installing a standard landline in the client’s residence or using a HomeGuard 20|20 or 206 receiver in cases where clients are using a digital phone service connection.



See *Table 65. Equipment Requirements* for detailed information about the cellular providers associated with BI’s proposed solutions.

*54. What is the receiver battery life ? Discuss the batteries used and how they are changed.*

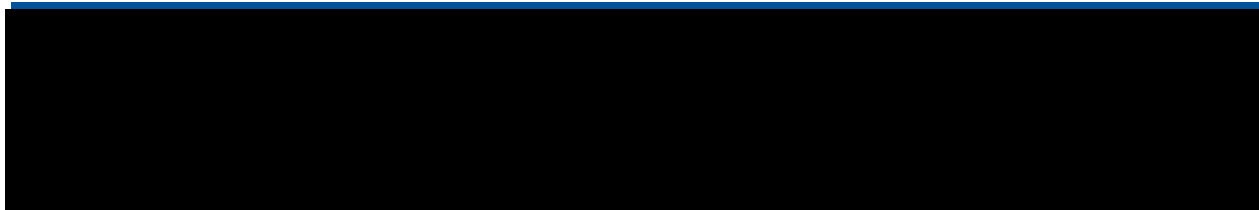
The HomeGuard and GroupGuard series of receivers are equipped with a lead acid backup battery that powers the unit for 48 hours in the event of a power failure. RF receiver batteries are replaced at BI’s manufacturing facility, and a best practice for electronic monitoring equipment is to cycle all equipment back to the manufacturer a minimum of every three years.

*55. When a transmitter battery is low and sends a notification, how long before the battery dies?*

Please see *Table 70. Battery Usage and Notification* on page 245.

*56. Detail how events are stored on the RF receiver unit while it is operating on battery power? Discuss what is affected by a low battery power.*

The HomeGuard and GroupGuard series of receivers are equipped with non-volatile backup memory capable of storing up to 4,800 event messages (roughly a month of data). All events will be recorded, and the receiver will remain fully functional while on backup battery power. The non-volatile memory storage ensures that the unit will not lose its monitoring data if it does run out of power.



*57. Contractor’s training program: describe Contractor’s training program that is included as a part of proposal pricing; describe any additional training available along with proposed costs.*

BI understands that comprehensive and effective agency training is critical to the success of an electronic monitoring program. To best meet unique agency and program needs, BI offers a comprehensive continuum of training sessions in a variety of formats, including:

- **Onsite Training.** BI conducts initial, onsite training as part of the program implementation process, and we provide subsequent onsite training upon agency request. Conducted at company and/or agency location(s), these sessions provide agency personnel with hands-on instruction and a field-based learning experience.



**Figure 135. Comprehensive Training**  
The BI Training Department has extensive experience coordinating large-scale training events with agency stakeholders—with the goal of directly addressing complex and evolving program objectives and needs.

- **Self-Directed Equipment Training.** We offer this training via the BI Training Department’s online Learning Management System. Equipment training courses and corresponding assessments are available to authorized personnel at any time. Users simply complete the quick registration process and enter their unique username and password to access the desired courses.
- **Live Webinars.** Each week, our Training Department conducts live webinar sessions—directly delivering informative content and a personalized learning experience. Since these sessions regularly occur on a scheduled basis, agency personnel can determine which sessions will best suit their ongoing work schedules and then participate accordingly.
- **Virtual Technology Forums.** In 2020, BI offered our first virtual webinar series for agencies supported by our equipment. The virtual webinar series covered a range of topics from technology trends to increasing officer efficiency, and best practices in GPS and RF monitoring. Each session allowed for feedback from users to understand their needs, and guide our product development roadmap to release new features that are most impactful to officers using our technology. Over the eight sessions, more than 2,500 agency personnel registered for BI’s first virtual Technology Forum.

This level of training can only be offered by an OEM that has a deep level of understanding of the products and services it offers. Our training Department regularly updates training with new information about the ongoing development of our solutions. BI’s Training Department develops best practices about implementing and maintain electronic monitoring programs.

**COVID-19 Response**

*BI has adapted to provide the same high-quality training and instruction during the pandemic. Through virtual technology forums and live online webinars officers are still able to receive high quality training even if they are unable to travel.*

**58. Describe your solution’s quality assurance program and any performance assurances it includes. Discuss any certifications (i.e. ISO 9001:2008) that you may hold.**

BI is committed to the highest quality assurance standards as demonstrated through our compliance with International Organization for Standardization (ISO) standards. BI facilities are certified by ISO to the full requirements applicable to the design, development, production, installation, and servicing of electronic monitoring products and services. BI’s ISO certified quality management system demonstrates our commitment to continual improvement and superior customer satisfaction.

BI is ISO 9001:2015-certified for product design, testing, sales, service, support, manufacturing, and monitoring. Since our inception, BI has been committed to maintaining the highest quality standards to provide solutions of the highest value for our customers. BI has been ISO 9001-certified since 1995 and was one of the first vendors in the industry to be certified to the updated ISO 9001:2008 quality standard. Other providers may use ISO 9001-certified subcontractors or may be certified for only a single element of the electronic monitoring process.



**Figure 136. ISO Certification**  
 BI’s certification demonstrates our continuum of products and services are of the highest quality, reliable, and durable.

**59. Describe your solution’s problem escalation process as it relates to the requested product lines of this RFP. Detail the role of the City in this process and the successful Contractor.**

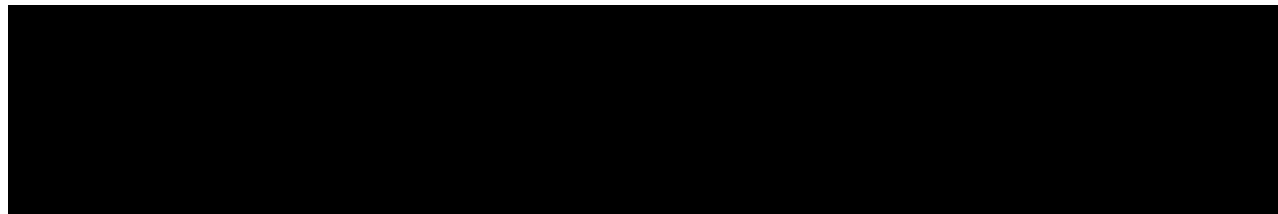
BI responds to all technical issues by enacting our *Problem Resolution Standard Operating Procedure*. BI will enact this procedure in response to all potential issues regardless of problem severity. BI Monitoring Operations will perform the following steps:

1. The City will contact BI’s Monitoring Operations Support Department to alert BI that there is an issue
  - a. Alternatively, the TotalAccess system will automatically page an on call System Administrator to alert BI personnel of a potential issue



2. If the issue is caused by aspects of BI's technical solution, such as a problem with the TotalAccess server, BI will escalate the issue to our team of technical experts
  - a. Alternatively, if the issue is caused by a third-party provider, such as a cellular provider, BI will proactively contact the appropriate provider to determine the root cause of the issue
3. BI will notify the City with updates every thirty minutes. Updates will occur via email and phone based on personnel availability
4. BI will setup a teleconference bridge for communication with the City
5. After resolution, BI will work with the third-party provider or internal BI experts to provide the agency with written information on the cause and resolution of the issue

BI is committed to promptly responding to any technical issues and communicating results to the agencies we serve. BI System Administrators and technical teams have developed the following response times based on industry-standard practices. These individuals are responsible for determining the priority level and implementing corrective actions as soon as possible.



*60. How are the City's complaints measured and categorized? What processes are in place to know that a problem has been resolved?*

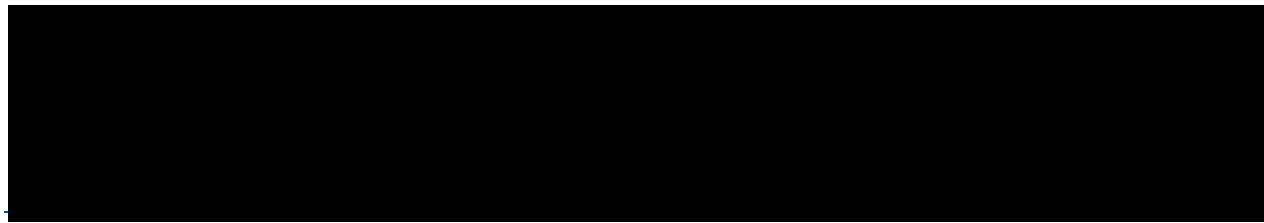
To provide the most appropriate response possible for customer complaints, BI has established personnel at each point of contact with the City to clarify and resolve issues that may arise. These include discrete systems for managing complaints within BI's Customer Business Services, Monitoring Operations, and our Development and Training contacts. Any complaint, received at any level of the City's interaction with BI, will be addressed directly to the corresponding personnel, who will then record and track the complaint until the City determines it to have been adequately addressed and resolved.

BI will apply various processes, depending on the level of the City's interaction with BI. For example, if we receive a complaint received within the Monitoring Operations center, BI will track and log the event. If the complaint is related to BI hardware or software, BI leadership reviews the issue in weekly meetings that includes Monitoring Operations, and Hardware and Software Development personnel. All other complaints are researched and resolved by Monitoring Customer Service in conjunction with Monitoring Management.

*61. Describe your company's investment in technology and service programs for the present and the future and how participating Public Agencies may benefit.*

As the founder of electronic monitoring equipment in 1985, BI has pioneered new product development for more than 40 years. BI employs more than 50 in-house mechanical, electrical, and computer science engineering personnel that work every day to provide agencies with the latest technologies and advancements in tracking technology, secure data processing, and communications.

With this experience, the City can be confident in selecting BI for a long term contract, as success is dependent on a company who is positioned on the innovative forefront of the electronic monitoring industry.



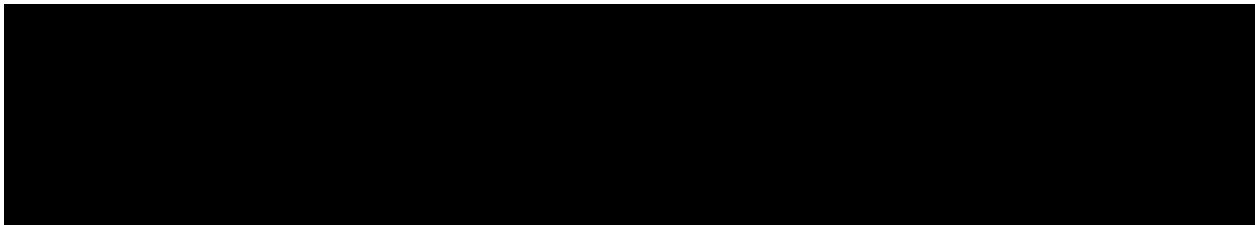
BI is committed to staying abreast of technology advancements and is actively working with our technology partners to ensure that the agencies have the latest relevant technology available. In addition to our internal development efforts, BI regularly explores relationships with other electronic monitoring manufacturers in an effort to add new and unique products and services to BI's technology continuum. We also investigate technologies currently in use in other markets or applications. Then, we explore the potential for use in the criminal justice market. This focus reflects our dedication to providing the optimal, most effective monitoring solutions to our customers.

*62. Describe the capacity of your company to keep the product and service offerings current and ensure that latest products, services, standards, and technology for (Participant Monitoring Products, Services and Solutions) as well as any cost savings ideas you may have as they relate to these services and products.*

BI is dedicated to keeping our solutions current and providing the latest products, services, standards, and technology to our customers. A fundamental part of these efforts is to provide cost savings ideas and advancements related to our products and services. As detailed within *Proposal Tab 1*, BI renews our pricing commitments to support the expansion of the OMNIA Partner's *Master Agreement*.

BI is continually refreshing and improving our offerings to stay current with modern technologies and providing cutting-edge solutions to our customers. This ongoing effort enables BI to provide the agency with responsive and comprehensive support and industry-leading technologies. BI continually makes investments in developing products and services that amount to millions of dollars annually.

In addition, BI is continually pursuing cost savings ideas, such as investing in analytics, crime scene correlation, and Smartphone Applications to reduce officer workload. As evidence of our commitment to reducing officer workload, please see our BI Agency Assist solution, described in detail within *Proposal Section 3.1.5.6—Supplemental Support Services* on page 157.



Please also see our response to *Question 3* within this section, on page 207 where we detail the future of the electronic monitoring industry—and BI's commitment to developing innovative solutions that keep pace with technology advancements.

*63. Describe how Contractor's pricing structure may be created and the factors that are taken under consideration for such a structure.*

With the goal of presenting the most flexible pricing possible, BI provides a menu of available products and monitoring services so the City, or any Participating Public Agency, can easily select only the options and services they require. In addition, our solution includes a flexible pricing structure based on volume tiers. Our Partnership Development Directors educate potential customers about all the available options and recommend solutions that will enhance their electronic monitoring programs. BI does not believe in a one size fits all model—our experience supporting electronic monitoring programs of all sizes and complexities for more than 40 years taught us that each agency has unique needs. In keeping with that

knowledge, we identified all options, thereby ensuring agencies only pay for what their program truly requires. See *Tab 4—Pricing Forms* for our proposed pricing models.

*64. Describe how a participant's pricing structure could be developed. This pricing structure is to be for the City to consider as it creates the structure for its participants?*

BI has provided several pricing models for the City of Mesa and Participating Public Agencies; see *Tab 4* of this proposal response.

*65. How do you handle multiple accounts/agencies from the same entity? For example, these services may be used by the courts, the police department or human services. Each of these departments are responsible for their budget so the invoice needs to reference that specific entity while going to a centralized AP. What happens when the wrong account is credited for a specific payment?*

BI creates multiple billing accounts from the same entity, even when the same billing address applies to multiple agencies. We ensure each agency has its own unique billing account. As a result, each agency receives their own invoice to allow the main entity to track and pay according to their own budgeting or procurement processes. Identifying payments using a specific invoice number mitigates the risk of crediting accounts incorrectly. In the unlikely event a payment is posted to the wrong account, BI will perform corrective actions once the error is reported.

*66. Contractor shall provide with its response illustration(s) and explanations of how the proposed solution meets the specifications/requirements:*

*a) The offender monitoring system provided shall be Web-based with server(s) located at the Contractor's site(s). A Web-based application via a Terminal Server connection is not an acceptable solution to City.*

Users can login to TotalAccess from any web-enabled device. Within TotalAccess, users can perform a variety of monitoring tasks, including adding, modifying, deleting, viewing, printing, and downloading client information. In addition, users can alter monitoring information, such as zones and schedules. As a web-based software platform, TotalAccess provides a remote and automated capability for accessing the monitoring system data to view, print, and download information, including all reports. Officers only need to be trained on one interface that translates across multiple platforms and devices.

*b) The Contractor shall create a secure (using Secure Socket Layer SSL) password-protected monitoring database which can be accessed by City at time of contract award. User registration shall be provided online.*

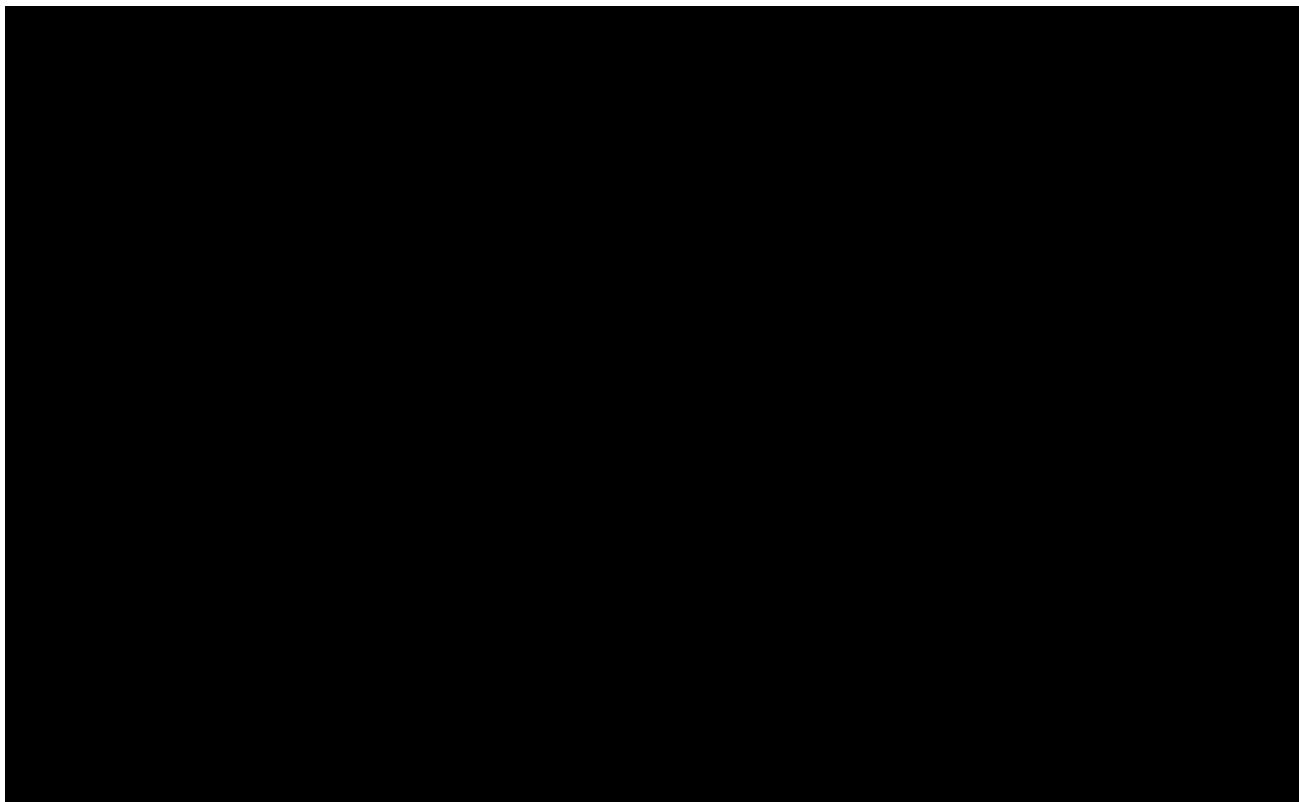
Electronic monitoring produces sensitive data and information, and system security is critical to protecting confidential agency data, client information, and public safety. As such, multiple security protocols protect the data within TotalAccess—including intrusion detection, firewalls, antivirus software, and transport layer security (TLS) certificates. TLS technology is the successor to, and provides more security than, secure socket layer (SSL).

Additional information about our highly secure, modern password and security features, see Question 9, Facility Access on page 214.



*c) The system shall have the capability of differentiating between groups of offenders (i.e., Pretrial, in-home detention, work release, Parole, Probation, Sex Offender, and other designated groups) and displaying this information to City. City shall provide offender categories after contract award.*

Within the TotalAccess *Client Profile Page*, users can easily select the type of client (such as pretrial, parole, probation, domestic violence), as illustrated below. BI's will work with the City to finalize the types of client classifications officers may select.



**Figure 137. Options to Designate Offender Status**

The “Client Type” field allows the City to differentiate and customize groups of offenders.

*d) The system shall have the capability of differentiating between priority of EM violations with user adjustable defaults and levels.*

Using the TotalAccess interface, the City and Participating Public Agencies can define a multitude of customized alert notification parameters, including:

- Distinguishing between high-priority alerts and lower-priority events
- Determining which personnel will receive notifications
  - The monitoring computer system can notify multiple persons simultaneously.

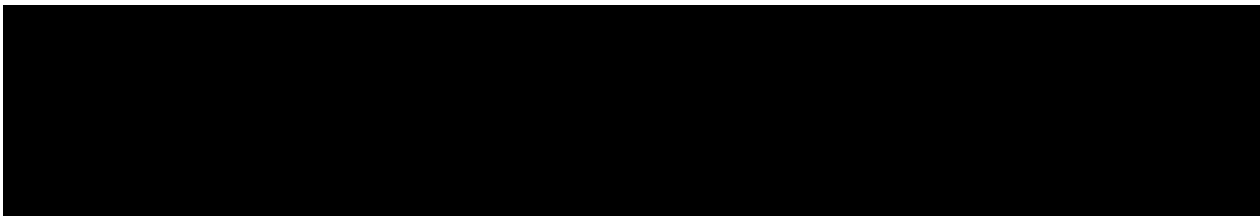
- Establishing escalation processes that prompt the monitoring computer to automatically deliver a series of staggered notifications to a specified contact list
- Determining how specified personnel will be notified
- The monitoring computer can deliver alert notifications via text, email, and/or fax
- Declaring how much time should elapse before the monitoring computer delivers a notification
- Pairing specific equipment events together to receive a notification when both of the paired events occur within a specified period, reducing false or nuisance alerts.
- Customizing notifications for a specific officer or client
- Creating notification schedules that accommodate an officer’s temporary assignments, weekend coverage, and holiday duty

e) *The system shall be capable of recording and storing the offenders name and information related to the nature and type of all events/alerts/violations and alarms generated for the offender, including a date and time stamp of the event. (Archive) Contractors are to describe how their proposed model will be able to meet or exceed this requirement within their final submission.*

TotalAccess *Client Profile Screens* capture each client’s individual demographic and other information and is capable of saving all new and modified information in near-real-time. Agency staff can enter clients’ demographic information, judicial/charge history, employment information, educational activities and rehabilitative activities, pictures of the client, standard rules, and custom monitoring parameters. The following table identifies other relevant client information that the agency can store within TotalAccess via the *Client Profile Screen*.

Table 71. TotalAccess Client Profile			
Category	Data Fields		
Case Information	Agency name	Client start and end dates	Payment method (optional)
	Client risk level (optional)	Officer name	
Personal Information	First name	Last Name	Gender
	Language	Date of birth	Alias
	Case ID	Height	Weight
	Client type	Social Security Number	Photos
Contact Information	Client Address	Client Email	Client Phone Number

In addition, TotalAccess can accommodate each client’s unique monitoring requirements—including GPS zones, RF curfew schedules, biometric check-ins, and alcohol data.



g) *The Contractor’s web-based system shall have the capacity for City Requirements under this contract, with capacity to expand as the needs of the City change. The Contractor’s system shall provide unlimited transactions and access to designated City personnel without degradation of performance, speed or quality.*

[REDACTED]. During this same timeframe, users did not experience a degradation of performance related to accessing data.

Additional evidence of TotalAccess capabilities include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

*h) Contractors shall configure the server software and hardware so that it will immediately hang up and re-set itself in less than five (5) seconds in response to a false call.*

After a failed call, the system resets the inbound process for accepting another call within the required five second timeframe. In addition, BI has [REDACTED] inbound modems that progress through the bank, ensuring that the same inbound process is never waiting to answer the next call.

*i) The database shall permit unlimited simultaneous users without significant degradation of service performance. Agency-designated users shall be able to search and perform sorts by any field, including but not limited to mapping, and to tailor certain monitoring parameters for each offender as necessary.*

TotalAccess currently supports an unlimited number of simultaneous users—without any degradation of service performance. To best support searching and sorting of data fields, TotalAccess incorporates a universal database search feature based on the best practices used by Microsoft and Google. For example, users can enter a client’s name, equipment number, or supervising officer in the TotalAccess search engine to locate the desired information quickly.

TotalAccess also allows users to tailor monitoring parameters for each client—including adding, modifying, deleting, viewing, printing, and downloading client information. This includes the ability to alter a client’s zones and schedules, as authorized.

*j) The system shall allow use of a numeric offender identification number designated by the City. This unique identification number shall be used to identify each offender within the Contractor’s system. In addition, the software shall require, at a minimum, the following mandatory fields for initial offender enrollment: Name, City Identification number, Physical address, Serial number of equipment, Time zone, Assigned officer, Multiple phone numbers, Offender photograph, Supervision level, Special alerts (such as safety concerns, etc.)*

Through the TotalAccess *Client Profile Page*, our software can accommodate all required fields. Please see *Proposal Section 3.4.1.6, Item C* on page 87 for detailed information.

*k) The fields in the database shall be columns and the column headings and types of data to be entered can be, but are not limited to, the following:*

Total Access is a highly adaptable monitoring platform that can accommodate multiple forms of data entry. The following table demonstrates possible types of data that can be entered.

**Table 72. TotalAccess Data Types**

Data Category	Data Type
Administrative	Agency/Department

**Table 72. TotalAccess Data Types**

Data Category	Data Type
	Division
	District
	County
	Case Type
	Number of monitoring system units and types
	Date of installation/activation/deactivation
Billing	Cost per unit
	Total monthly charges
	Invoice number and date
	Billing/accounting number

*l) The database shall be able to produce reports as required by the City.*

TotalAccess provides custom reports to enable agency and BI staff to effectively manage diverse and growing client populations. BI’s on-demand reporting capabilities allow users to query information based upon more than 60 fields in TotalAccess. Users can create ad-hoc reports from fields related to the agency, client, officer, device, or device events.

For increased report customization, authorized staff can easily export data to Microsoft Excel. This export functionality enables users to: add data visualizations, such as pie chart, or bar and line graphs; apply formatting; filter, sort, and group data; and select information fields to be included in the report.

Advantages of this data export/ad-hoc solution include:

- Data is replicated in near real-time; there are no periodic batch loads of data. This means that the agency will always have access to the most recent data available.
- TotalAccess generates and displays information in report design templates. BI designed these formats to be easy to read and ready to be delivered as a final product.
- With a user-friendly interface, authorized users are not required to have any specialized technical skills to access the information they need.

*m) The database shall be kept current with updates made each time a service is added, terminated, or changed. Once the database is established, invoices will not be paid unless the service is listed in the database.*

TotalAccess automatically updates monitoring information upon occurrence, including when users add, change, or terminate client information. We understand that the agency will not pay invoices unless the corresponding service is listed in the database.

*n) The Contractor’s system shall allow authorized City staff to make service additions, deletions, and changes online. The Contractor shall keep the database current, making updates no later than the end of the next business day following any service addition/deletion/change by City.*

TotalAccess and TotalAccess Mobile allow authorized users to make service additions, deletions, and changes to client, program, and equipment data at any time, through a web-enabled PC, laptop, or iPad. When a user updates or adds information, the database is updated in real-time—**exceeding** RFP requirements.

*o) No record in the database shall be deleted earlier than (a) the date that is three (3) years following final payment from the City under the contract; or (b) the date specified by law, whichever is later. The system shall provide that all data be recorded with a historical transaction record and stored/archived for retrieval/backup in a database. City personnel shall be able to access all stored/archived data in a reasonable time. All current and historical data files shall be retained for a period of seven (7) years by the Contractor. Data shall be in a non-proprietary format.*

---

BI maintains all TotalAccess records in accordance with applicable agency requirements. This includes archiving historical transaction data for subsequent retrieval/backup as needed. Authorized agency personnel can obtain any program information at any time by logging into TotalAccess from a web-enabled device or by calling BI Monitoring Operations. We will maintain all current and historical agency data files for seven years in a non-proprietary format.

*p) The Contractor shall maintain an error rate for call failure not to exceed one percent (1%) annually, and upon request by City shall provide data to demonstrate that this requirement is being met.*

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Due to the nature of modem and Internet Protocol (IP) communications and issues associated with external phone lines data line beyond BI's control, call aborts are a regular occurrence. However, BI does not consider a call abort to be synonymous with a call failure. BI has the following strategies in place to mitigate the risks associated with call failures and high error rates:

- **Equipment Capabilities.** BI designed our equipment to minimize call failures—when a call abort occurs, the equipment continually attempts to contact TotalAccess. If the equipment does not make a connection on the first attempt, then it will either call the system again on the same number or IP address, or will attempt a call in on a different number or IP address. BI expects call aborts, and our equipment is programmed to continually attempt to reconnect with TotalAccess.
- **Service Capabilities.** Many times, call failures occur because equipment was not properly installed on the client's person or in the client's home. This risk can be mitigated by properly training the individuals that install the equipment, a service that BI will provide throughout the life of the contract. In addition, agency personnel can login to TotalAccess or call BI Monitoring Operations at any time to confirm a correct installation.



### 3.3 Environmental

*1. Provide a brief description of your company’s environmental initiatives, including your company’s environmental policies and/or strategies, your investments in being an environmentally preferable product leader, and any resources dedicated to your environmental strategy, including staff.*

BI is committed to energy efficiency, facilities performance, and the disposal/recycling of materials. This includes complying with international directives and local ordinances in addition to several self-imposed guidelines. BI voluntarily complies with two major environmental directives, the Waste Electrical and Electronic Equipment Directive (WEEE) and the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS). Both WEEE and RoHS became European Law in February 2003. Key environmental aspects of these initiatives include:

- WEEE is the European Community directive on waste electrical and electronic equipment that sets collection, recycling, and recovery targets for all types of electrical goods. WEEE aims to minimize the impact of these goods on the environment by increasing re-use and recycling and reducing the amount going to landfills.
- RoHS bans placing new electrical and electronic equipment that contain more than the agreed levels of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated biphenyl ether (PBDE) flame retardants on the EU market.



**Figure 138. Environmentally Conscious Manufacturing**  
 As the OEM of all proposed products, BI is in direct control of the environmental practices in our U.S.-based manufacturing facility.

#### Corporate Headquarters Environmental Practices

Headquartered in Boulder, CO, BI is subject to the guidelines of the Boulder Building Performance Program, a local ordinance that “requires actions that reduce energy use and improve the quality of Boulder’s commercial and industrial building stock.” The Boulder facility, which combines offices and manufacturing, complies with this program, including:

- Rating and reporting building energy use, annually
- Completing ASHRAE Level II-equivalent Energy Assessment
- Completing lighting upgrades (by 2023)
- Completing HVAC system optimization (by 2023) and every ten years thereafter
- Implementing HVAC system optimization measures (by 2024) and every ten years thereafter

*2. Describe your company’s recycling services. Describe any buy back or take back options offered for products sold on this contract such as batteries, mercury-containing equipment, paint, chemicals, etc. Describe your company’s efforts to reduce or reuse packaging (or avoid difficult-to-recycle packaging such as polystyrene foam) and minimize the environmental footprint in the shipping process.*

BI performs the following activities with regard to recycling and reuse of packaging:

- Recycling batteries, electrical switchboards, and transmitter latches and straps. When customers send equipment back to BI, we reuse or recycle the components. If we cannot reuse a component, we send it back to the supplier where it is ground down and redistributed.
- Recycling cardboard, paper, aluminum, glass, and some plastics. Recycling bins for paper, plastic, cans, glass, and cardboard are easily accessible inside the building. BI reuses shipping cartons and also provides a shipping carton return service for all customers.
- Using recycled paper for marketing items such as solicitation responses, pamphlets, and flyers.
- Buying products that are free from ODCs (Ozone Depleting Chemicals), lead, and other harmful substances.

### 3.4 Financial Statements

Per *RFP Requirements*, BI has submitted all financial documents within a separate proposal volume. These documents are not included with this main proposal volume. Our separately submitted *Financial Documents* volume includes:

- Our latest Dun & Bradstreet report
- Audited income statement and balance sheet from the most recent reporting period

### 3.5 Additional Information

*Please use this opportunity to describe any other offerings your organization can provide that you feel will give additional value and benefit to Participating Public Agencies.*

BI offers a complete continuum of monitoring solutions not specifically required by the City of Mesa or OMNIA Partners, for example:

- Drug and alcohol testing
- Day Reporting Centers for adult and juvenile clients
- Field services, including electronic monitoring device installation, maintenance, and removal
- Victim alert application

These additional services require a collaborative effort to ensure that the City's program needs are met. The services detailed below are a sample of the core functions of each solution, and BI personnel welcome the opportunity to discuss and design an effective model to suit the City.

#### Drug and Alcohol Testing

BI has the ability to provide urinalysis and drug testing in alignment with forensic/chain of custody best practices. The City has the opportunity to refer clients and pretrial defendants to BI to encourage sobriety and satisfy court-ordered conditions.

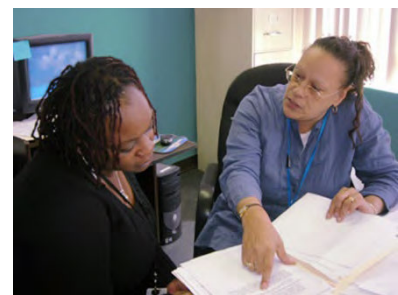
Significant components of this solution include:

- Reporting missed or positive test results to designated City personnel
- Administering breathalyzer tests, logging results of each test, and forward testing results to the agency
- Using agency-approved, regularly calibrated breathalyzer equipment
- Maintain documentation associated with each breathalyzer to evidence appropriate and regular calibration
- Monitoring, collecting, and transporting urine samples in alignment with agency requirements and in accordance with Laboratory policies
- Collecting urine samples on a random and scheduled basis
- Performing physical, line-of-sight monitoring of the urine collection sample
- Storing samples in accordance with Laboratory practices, including cold and secure storage

#### Day Reporting Centers for Adults and Juveniles

BI-operated DRCs provide a structured method for delivering reentry services, all with the goal of supporting prosocial behaviors and successful community reintegration. Participants must comply with a variety of required services—such as regular check-ins, drug and alcohol testing, and ongoing case management—that promote participant accountability and responsibility. In accordance with assessed criminogenic risks/needs, BI Case Managers assign onsite cognitive behavioral treatment and other programming to participants, all with the goal of increasing self-sufficiency, supporting prosocial activities, and changing behavior. BI's DRC staff will collaborate with a network of community providers to promote positive changes and long-term participant success.

Our approach to providing DRC services is highly customized and based directly on the agency's and participant's needs. While BI creates custom Day Reporting Center programs, an example of a *Four-Phased DRC Program Model* incorporates the following components:



**Figure 139. Behavior Change Plan**  
BI Case Managers will work closely with clients to develop, modify, and complete a Behavior Change Plan throughout each individual's time at the DRC.

- Phase 1—Stabilization, Assessment, and Engagement
- Phase 2—Treatment
- Phase 3—Discharge
- Phase 4—Aftercare

The model incorporates the elements of participant referral, the admission/starting point process, the program phases, support services, and eventual program discharge/aftercare. BI will customize our programming to apply appropriate dosages to satisfy the specific needs of each participant. Our DRC personnel will collaborate with the City to determine if a participant requires additional time in a specific phase based on their individual progress.

The following table provides an example of the types of DRC phases offered by BI.

Table 73. BI DRC Phased Program (Sample Approach)	
Phase	Program Components
Phase 1—Stabilization, Assessment, and Engagement	Reporting in-person to the DRC up to six days per week
	Conducting orientation, assessment, Behavior Change Plan development
	Performing a breathalyzer test at each check-in and random drug tests
	Attending community events, referred services, employment and education programming
Phase 2—Treatment	Reporting in-person to the DRC up to five days per week
	Performing a breathalyzer test at each check-in and random drug tests
	Participating in groups and labs to address their criminogenic risks and needs
	Connecting participants with local community resources for additional needs such as transportation, housing, childcare, mental health counseling/treatment, mentoring, etc.
	Reinforcing participant behavior by rewarding prosocial behavior and progress in the program and promptly responding to noncompliance
Phase 3—Discharge	Reporting in-person to the DRC up to three days per week
	Performing a breathalyzer test at each check-in and random drug tests
	Working towards completing all treatment groups and Behavior Change Plan objectives
	Having stable housing and full-time employment (or be enrolled in an accredited institution)
Phase 4—Aftercare	Working with DRC staff to create and maintain an Aftercare Behavior Change Plan
	Participating in the onsite Aftercare group on a bimonthly basis
	Meeting individually with assigned Case Manager
	Receiving continued support from DRC staff regarding family needs, cognitive skill building, education and employment assistance, and community referrals
	Participating in the DRC graduation, community, and mentoring activities

## Supporting Juvenile Reentry Programs

BI has extensive experience supporting juvenile populations with reintegrating into communities. Our goal is to help juvenile program participants successfully transition from a correctional institution and break the cycle of continued involvement in the criminal justice system. BI designs our juvenile program services to target individual juvenile criminogenic risk and needs, and we deliver behavior change programming in alignment with evidence-based practices.

BI will leverage our experience to provide, coordinate, and administer cognitive based interventions and evidence-based programming for youth in-custody. We developed our program model to provide treatment and services within a safe, secure, and supportive environment, with the intent to rehabilitate juvenile participants prior to release. Our programs focus on breaking the cycle of recidivism and helping juvenile participants become accountable, prosocial members of the community while maintaining familial relationships and other crucial support systems.

Understanding the unique factors involved in rehabilitating juvenile populations, we propose to work closely with the City to design a phased program that allows participants to move through the stages of change at their own pace, collaborating with City personnel to set behavioral goals and milestones tailored to each juvenile's assessed risks and needs that fit the schedule of each program.

Our proposed services include:

- Assessments
- Behavior Change Plans
- Case Management
- Juvenile Moral Reconciliation Therapy (MRT)
- Trauma-Informed Programming
- Aftercare

### Field Services

BI's continuum of electronic monitoring solutions includes providing equipment installation, removal, and in-field maintenance services. When these services are included within a contract, BI Installation Technicians perform initial client enrollments, install equipment on clients, manage a local equipment inventory, provide field-based equipment troubleshooting, and remove equipment from clients.

Our Installation Technicians are locally-based. Depending on contract requirements, Technicians may provide services at a BI location(s), agency location(s), and/or at client residences. BI Installation Technicians streamline agency resources and ease officer workloads by:

- Ensuring equipment is installed properly and in good working order—with fully charged equipment batteries
- Maintaining a sufficient supply of equipment supplies (such as straps, batteries, installation/removal tools) to ensure a prompt response to program needs
- Promptly responding to equipment repair requests; if a repair is not possible, the Installation Technician will replace the equipment with a different, operational unit
- Cleaning returned equipment and verifying that all returned units are in good working order and suitable for future use

### Juvenile Reentry Programming

*BI has the ability to work closely with the City and OMNIA Partners to implement juvenile reentry programming that targets individual's needs and is based on decades of research and evidence. We look forward to discussing the specific reentry needs of this population at any time during proposal evaluations.*



**Figure 140. Installing Electronic Monitoring Equipment**

BI Installation Technicians will manage inventory and interface directly with BI billing and manufacturing departments, alleviating the administrative workload of officers.

City personnel can contact BI Monitoring Operations on a 24/7/365 basis for any needs regarding contracted install services. Monitoring Operations dispatches and coordinates all Installation Technician activities.



### **Victim Alert Solution**

While BI provides a solution designed to notify designated personnel (including victims) of zone violations, there is no viable solution on the marketplace that “ensures victim safety.” Our approach to working with agencies that require this type of notification is detailed on page 251, and BI looks forward to discussing victim notification approaches, liabilities, and solutions with the City at any time during proposal evaluation.

## **3.6 Reporting Processes**

*Explain the process from start to finish and how the reports will be obtained. Explain any reporting capabilities.*

To access TotalAccess feature-rich reporting capabilities, users simply login to the web-based platform and click on the *Reports Tab*. From this page of the software, users can access more than 40 standard reports regarding client activity, violations and alerts, caseload statistics, equipment inventory, and historical data. Users can schedule reports for automated delivery to an email address, as well as export reports from TotalAccess to Word, Excel, CSV or PDF applications.

Additional reporting information is provided throughout this proposal, for example see *Proposal Section 3.1.4.8* on page 94.

## Tab 4—Pricing Forms

As one of the most trusted providers of electronic monitoring technologies and services, BI is uniquely positioned to offer the City of Mesa and OMNIA Partners a comprehensive, low-risk, high-value solution.

This *Cost Proposal* contains our proposed pricing for the agency’s electronic monitoring program and OMNIA Partners *Master Agreement*. BI’s *Cost Proposal* is aligned with RFP requirements and provides several cost models.

### Experienced Provider

*To provide the best equipment and services, BI has leveraged our extensive history supporting the City of Mesa, OMNIA Partners, and our experience operating electronic monitoring programs of similar size and scope to develop the costs described within this response.*

### City of Mesa: Pricing Approach

BI appreciates the leadership and effort by the City of Mesa to issue this RFP that includes a partnership as a lead agency to a national cooperative procurement with OMNIA Partners. This leadership provides significant benefits to agencies across the country—the City of Mesa supports these public agencies by offering a full continuum of services at competitive pricing from a vendor evaluated and chosen by the City of Mesa. BI understands and respects the importance and serious responsibility of the City of Mesa to manage this most critical procurement—one that is so closely aligned with the community safety missions of our public sector partners.

BI understands these needs from decades of experience supporting Arizona communities and public safety initiatives across the nations. While every community supervision program inherently carries risk, BI is a trusted and tenured provider familiar with mitigating these risks. Solely dedicated to supporting the missions of community supervision programs, we take pride in providing responsible cost solutions for our products and services. BI remains committed to providing community correction agencies with tools to enhance safety, promote rehabilitation, and support offender accountability. Given the scope of work and national opportunity, we are pleased to offer the City of Mesa the best overall, comprehensive pricing model BI has ever proposed.

### Best Value Solution

Historically, BI has never been the lowest cost vendor in our industry. At the same time, we have worked hard to earn a track record of success that is unmatched by others—BI maintains our customers and we are awarded new contracts each year, while still being competitive and sensitive to costs. BI will operate ethically, responsibly, and never compromise our core values just to win business. As the leader in this industry with the largest market share in the United States, we are proud of our reputation and continues to work hard to earn the trust of the agencies we serve.

BI has observed a trend where other vendors have been offering all-time-low prices for electronic monitoring services during the pandemic in an attempt to recover investment losses and improve market share. Being a wholly-owned subsidiary of The GEO Group, we are a public safety company with financial stability. We also know that as other market players continue to drop pricing to gain favor, we must find creative ways to compete, while not compromising our known reputation for quality. BI understands that during the last two years, government budgets have been impacted by the pandemic and are more cost conscious overall. To stay relevant to the needs of our customers and find a way to compete for the agencies we serve, we are pleased to provide a pricing model that will secure existing business and ideally position us for success as well, starting with the City of Mesa. We are still not the lowest cost vendor, but our value added comprehensive solutions are incredibly competitive for the needs of today and tomorrow.

## 4.1 Completed Pricing (Attachment A)

BI's pricing includes all costs, from all categories, provided in a usage day format. A summary of our solutions for each required category includes:

- Active, Passive, Hybrid GPS Tracking: BI LOC8 XT, LOC8, and ExacuTrack One
- RF Curfew Monitoring: BI HomeGuard 20|20, HomeGuard 200/206, and GroupGuard
- Voice Tracking and Verification: BI VoiceID
- Alcohol Monitoring: BI SL3, SL2, and Sobriotor
  - Transdermal Alcohol Monitoring: BI TAD paired with the HomeBase or HomeGuard 20|20
- Supplemental Support Services: BI Agency Assist
- Smartphone Application: BI SmartLINK (offender application) and TotalAccess Mobile (officer application), BI Mobile
- Data Analytics Software: BI Analytics Suite
- Online Monitoring Software: BI TotalAccess
- Related Products, Services and Solutions: drug and alcohol testing, Day Reporting Centers, field services, and victim alert devices

### GPS Service Levels

The agency will have the ability to set the supervision level for all clients monitored through our GPS solution, which is configurable through TotalAccess. BI offers thousands of unique service levels that can be selected by authorized agency personnel. Examples of commonly used GPS active, passive, and hybrid service levels are summarized below.

Table 74. GPS Service Levels					
Type	Service Level Variable				
	GPS Collection	Data Reporting <sup>1</sup>	Wi-Fi Tracking <sup>2</sup>	Cellular Tracking <sup>3</sup>	Zone Crossing <sup>4</sup>
Active Option 1	One point per minute	Once every 30 minutes	Scans AP every five minutes	Every 30 minutes	Included
Active Option 2	One point per minute	Once every 30 minutes	Scans AP every five minutes	None	Included
Hybrid Option 1	One point per minute	Once every four hours	Scans AP every five minutes	None	Included
Passive Option 1	One point per minute	Once every 12 hours	Scans AP every five minutes	None	Included
Passive Option 2	One point per minute	Once every 12 hours	Scans AP every five minutes	None	None

### Service Plan Notes:

<sup>1</sup> Data Reporting—device will report all noncompliant activities (zone infractions, tamper attempts) upon occurrence, regardless of reporting frequency



- <sup>2</sup> Wi-Fi Tracking—available only with LOC8 and LOC8 XT device, unit will attempt a location fix in the absence of GPS signals
- <sup>3</sup> Cellular Tracking—the device will attempt a location fix via Cellular technology in the absence of GPS
- <sup>4</sup> Zone Crossing—the device will automatically increase its tracking intensity when an offender commits a zone violation; during this time, the unit collects a location point every 15 seconds and reports the collected data to the monitoring system every minute

Authorized agency personnel can adjust active, passive or hybrid reporting modes through TotalAccess without needing to physically interact with equipment.

#### 4.1.1 Pricing Structure and Service Levels

*This pricing structure is to assume all entry and installation is conducted by City personnel. Include all pricing options and service plans to be considered in the evaluation of the RFP. Pricing should be Usage Day cost for equipment and all incidentals and accessories required to provide service for that piece of equipment.*

BI approached and developed an innovative price offering for the City of Mesa and OMNIA Partners based on more than a decade of direct experience supporting the expansion and evolution of the *Master Agreement*. We believe our pricing model offers the City and programs across the nation the opportunity to increase the effective monitoring of all clients under the agency’s supervision while maintaining the highest level of public safety.



The new rates and associated cost savings are summarized below.

Table 75. City of Mesa Cost Savings				
Type	Item	Current Rates	New Rates	% Cost Savings
[Redacted Table Content]				

The following table summarizes our costs for the City of Mesa, assuming the agency completes all entry and installation. This pricing structure mirrors current equipment usage levels active within the City of Mesa. In addition, the table below details the new rates for the City of Mesa based on the agency’s current program using GPS technology. We have arrived at these costs by selecting the corresponding tier and lost and damaged equipment allowance described within the *Tiered National Pricing Table*. Should the City’s electronic monitoring program expand in the ensuing contract term, the agency can simply select the new technology or per usage day tiers associated with the expansion.

This new rate includes the mandatory requirements of 30% spares and unlimited lost and damaged coverage. BI further illustrates how these rates are calculated using our simple, comprehensive pricing model (see *Proposal Section 4.1.3* within this Tab); this section of our response provides the *Tiered National Pricing Model* that can be used by agencies, on a national basis, to obtain the same rates and benefits procured by the City of Mesa as the lead agency. The following table demonstrates how BI calculated this \$3.05 rate—this approach will be consistent for all other proposed technologies in the *Tiered National Pricing Model*.

**Table 76. City of Mesa Pricing: Agency-Performed Installs and Entry**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client
<b>Active, Passive, Hybrid GPS Tracking:</b> all daily rates include a 30% spare allowance and unlimited lost and damage allowance					



As the City's program expands and evolves during the next contract term, BI will apply all national level, tiered pricing to the City's contract.

#### 4.1.2 Cost Proposal for Monitoring, Installation, and Deactivation

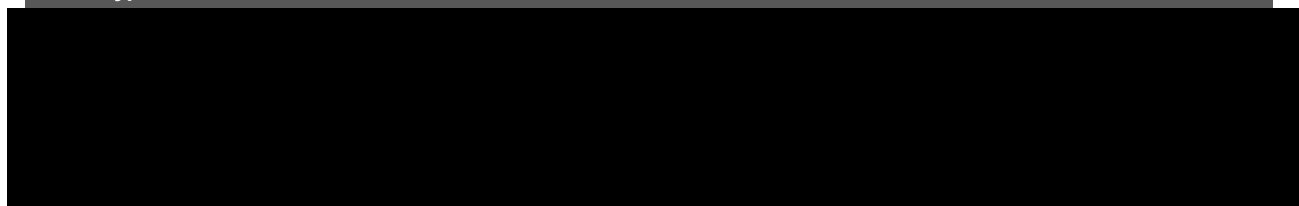
*This pricing structure is to assume all entry and installation is conducted by Contractor personnel. Include all pricing options and service plans to be considered in the evaluation of the RFP. Pricing should be Usage Day cost for equipment and all incidentals and accessories required to provide service for that piece of equipment.*

BI's pricing structure provides comprehensive costs for installation services performed by BI personnel. Please refer to the *Tiered National Pricing* table (see *Proposal Section 4.1.3* within this Tab) for all proposed costs associated with contractor personnel assuming responsibility for entry and installation. This flexible pricing model is based on BI's best practices—our pricing is tiered, the larger the population the lower the cost. In addition, the prices of BI's in-field installation services are directly proportional to labor costs. Our flexible model provides proportional costs if a service is performed in the offender's residence or at an agency location; similarly, our costs vary based on the length the offender is enrolled in the program.

Similar to *Proposal Section 4.1.1* above, our pricing model for installation costs is taken directly from the *Tiered National Pricing Table* and is summarized below.

**Table 77. City of Mesa Cost Savings with Installations**

Type	Item	New Rates
------	------	-----------



#### Example Cost Model

Using the prices in the *Tiered National Pricing* table, the City of Mesa simply selects the appropriate line items associated with the agency's needs. In this scenario, the City would require installation services at agency locations, and the offenders would be enrolled in the program for less than fifty days on average.

**Table 78. City of Mesa Pricing: BI-Performed Installs and Entry**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client
<b>A. Active, Passive, Hybrid GPS Tracking:</b> <i>all daily rates include a 30% spare allowance and 0% lost and damage allowance</i>					

### 4.1.3 Tiered National Pricing

*Contractor is to propose pricing using your applicable (quantity) thresholds for all items in 1 and 2 above. Pricing should be structured in as flexible a manner as possible to allow for the different configurations of many public agencies with diverse needs. Arizona pricing shall correspond with the discount structure proposed nationally. Failure to have pricing correspond may be cause for rejection of your offer.*

This portion of BI's *Pricing Forms* includes our tiered, quantity threshold pricing for all proposed technologies and services described within this proposal. With the goal of providing OMNIA Partners the most flexible pricing possible, our approach includes customizable, yet simplified pricing options to support the unique requirements of public agencies operating community supervision programs. BI confirms that these national prices correspond with the discount structure used in our City of Mesa-specific pricing.

For each type of monitoring technology proposed, or *Tiered National Pricing* includes:

- All equipment components, including batteries, chargers, straps, and optional RF curfew monitoring beacon
- 30% spare equipment allowance
- 0% lost and damaged equipment allowance, with optional provisions for additional lost and damaged allowances
- BI's central monitoring computer system, including our secure facility with multiple redundancies, backup power supplies, information security measures, and multiple network protections
- BI's TotalAccess software and TotalAccess Mobile for officers and authorized personnel
  - Automated, near immediate notification of program violations, for example, tamper attempts and Exclusion Zone events
  - Detailed and consolidated reporting capabilities
  - Single interface for all BI technologies
  - Up-to-date maps that accurately display historical and near real time location data
  - Advanced data analytics engine
  - Web services that integrate TotalAccess with City and agency systems
- Responsive account management support from BI's experienced team, many of which have more than a decade of experience supporting OMNIA Partners
- 24/7/365 customer and technical support through live Monitoring Specialists in BI's Monitoring Operations center

### Proposed Daily Rates

The following table summarizes the costs associated with BI's solution.

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client



**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client

**Table 79. National Tiered Pricing**

#	Item	Tier	Rental Cost	Monitoring Cost	Total per usage day, per client
[Redacted Content]					

## 4.2 Additional Charges

*A list of any and all additional charges not specifically listed on the Pricing Form.*

BI's *National Tiered Pricing* is inclusive of all costs associated with our electronic monitoring products.

## 4.3 Other Pricing Details

*Provide details of and propose additional discounts for volume orders, special manufacturer's offers, minimum order quantity, free goods program, total annual spend, etc.*

BI provides discounts for volume orders as is detailed in our *National Tiered Pricing* model. This approach allows BI to provide the lowest possible price to small agencies without compromising services. We do

not have a minimum order quantity—BI designed our *National Tiered Pricing Model* to accommodate electronic monitoring programs of all scopes and sizes.

## Tab 5—Other Forms

Immediately following this page, please find BI's completed required forms which include:

- Vendor Information form
- Exceptions & Confidential Information form
- General Questionnaire form
- Lawful Presence Affidavit
- Respondent Certification form (Offer and Acceptance)
- BI's W-9



**REQUIRED RESPONSE FORMS**

**VENDOR INFORMATION**

Company Legal/Corporate Name: BI Incorporated

Doing Business As (if different than above): BI Inc

Address: 6265 Gunbarrel Ave, Suite B

City: Boulder State: CO Zip: 80301

Phone: 303.218.1000 Fax: 303.218.1250

E-Mail Address: bidsvcs@bi.com Website: https://www.bi.com

DUNS # 094160959 State Where Business Entity Was Formed: Colorado

Tax Identification Number (TIN): 840769926

Remit to Address (if different than above): Order from Address (if different from above):

Address: 6000 Feldwood Road, Lockbox 744952 Address: \_\_\_\_\_

City: College Park City: \_\_\_\_\_

State: GA Zip: 30349 State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact for Questions about this bid:

Name: Ms. Danna Coapland Title: Vice President, Finance

Phone: 303.218.1252 E-Mail Address: Danna.Coapland@bi.com

Day-to-Day Project Contact (if awarded):

Name: Ms. Kimberly King Title: Manager, Western Region, Partnership Development

Phone: 214.222.5955 E-Mail Address: Kimberly.King@bi.com

Sales/Use Tax Information (check one).

Respondent is located outside Arizona and does NOT collect Arizona State Sales/Use Tax. (The City will pay use tax directly to the Arizona Department of Revenue.)

Respondent is located outside Arizona, but is authorized to collect Arizona Sales/Use Taxes. (Respondent will invoice the City the applicable sales tax and remit the tax to the appropriate taxing authorities.)

State Sales Tax Number: 07415923  
City Sales Tax Number: N/A City of: Mesa AZ  
Applicable Tax Rate: 8.3 %

Respondent is located in Arizona. (Respondent will invoice the City the applicable sales tax and remit the tax to the appropriate taxing authorities)

State Sales Tax Number: \_\_\_\_\_  
City Sales Tax Number: \_\_\_\_\_ City of: \_\_\_\_\_ AZ  
Applicable Tax Rate: \_\_\_\_\_ %

## EXCEPTIONS & CONFIDENTIAL INFORMATION

### Exceptions (mark one).

Respondents shall indicate any and all exceptions taken to the provisions or specifications in this Solicitation. Exceptions that surface elsewhere in the Response and that do not also appear under this section shall be considered rejected by the City, invalid and of no contractual significance.

**Other Forms or Documents: If the City is required by the awarded Respondent to complete and execute any other forms or documents in relation to this Solicitation, the terms, conditions, and requirements in this Solicitation shall take precedence to any and all conflicting or modifying terms, conditions or requirements of the Respondents forms or documents.**

**\*Special Note – Any material exceptions taken to the City’s Specifications and/or Standard Terms and Conditions may render a Bid Non-responsive.**

- No exceptions
- Exceptions Taken: Please describe exact sections to which exception is taken. If proposing new or modified language, your firm shall identify the requested language below or provide as additional attachment. The City reserves the right to accept or reject any requested exceptions listed in the below section or attached to the solicitation.

### Confidential/Proprietary Information (mark one).

- No confidential/proprietary materials have been included with this Response.
- Confidential/Proprietary materials included with Response. Respondent must identify below any portion of their Response deemed confidential or proprietary and attach additional pages if necessary (See Mesa Standard Terms and Conditions related to Public Records). Requests to deem the entire bid as confidential will not be considered. The disclosure by the City of information deemed by Respondent as confidential or proprietary is governed by City of Mesa Procurement Rules.

BI respectfully requests to hold the following proprietary information confidential:

- BI's response to TAB 1
- BI's response to TAB 2
- Within TAB 3
  - Section 3.1.4 - General Scope
  - Section 3.1.5 - Product Specifications
  - Section 3.2
    - General Security
    - Data Protection Assurance
    - System Software Controls
    - Logging and Reporting
    - Audit Trail
    - Standard Reports
    - Custom Reports
    - Types of GPS Solutions
  - Section 3.5 - Additional Services
- BI's response to TAB 4 - pricing
- Appendix A - Supplier Diversity Program
- Appendix B - Diversity Alliances and Certifications
- Appendix C - Resumes
- Appendix F - Client Guides
- Appendix H - Sample Reports

**GENERAL QUESTIONNAIRE**

1. Compliance with Applicable Laws. Respondent complies with Exhibit 1, Draft Agreement, Exhibit C, Mesa Standard Terms & Conditions, 9. "Compliance with Applicable Laws"?  Yes  No
  
2. Delivery. Delivery, as stated in Detailed Specifications, can be met.  Yes  No  
If no, specify number of days for delivery \_\_\_\_\_
  
3. Payment terms. Payment Due (Not less than net 30 days): Net 30  
Payment Discount of \_\_\_\_\_% if invoices are paid within \_\_\_\_\_ days of receipt.
  
4. Credit Card/Procurement Card. In response to this solicitation/contract, does Respondent allow payment of invoices using a credit card (Procurement Card)? Refer to Draft Agreement, Terms & Conditions, Section 5.6, Payment of Funds.  
 Yes  No (Marking a "no" answer will not disqualify your Response.)  
Will you offer a discount for use of Credit Card/Procurement Card Purchases?  
 Yes \_\_\_\_\_%  No (Marking a "no" answer will not disqualify your Response.)
  
5. Cooperative Purchasing. The use of this Agreement as a cooperative purchasing agreement available to other governmental agencies is described in the Mesa Standard Terms and Conditions. The use of this Agreement as a cooperative purchasing agreement is subject to approval by the Respondent as designated below.
  
6. Does Respondent agree to extend the prices, terms and conditions of the Agreement to other agencies as specified in the Standard Terms and Conditions?  
 Yes  No (Marking a "no" answer will not disqualify your Response.)

Addenda.

Respondents are responsible for verifying receipt of any addenda issued by checking the City's website at [www.mesaaz.gov/business/purchasing](http://www.mesaaz.gov/business/purchasing) or the Vendor Self Service portal prior to the Response Due date and time. Failure to acknowledge any addenda issued may result in a response being deemed non-responsive. Failure to review addenda does not negate Respondent's initial offer and holds Respondent for any changes prior to Response Due date and time.

**Acknowledgement of Receipt and Consideration of Addenda (if applicable):**

Addenda # 1  2  3  4

**LAWFUL PRESENCE AFFIDAVIT**

**CHECK HERE AND SKIP THIS AFFIDAVIT IF:** Respondent is an **LLC, a Corporation or a Partnership** as indicated on your W-9. (Please include a copy of your W-9)

**COMPLETE THIS AFFIDAVIT IF:** Respondent is an **Individual (Natural Person) or a Sole Proprietor** as indicated on your W-9. (Please include a copy of your W-9)

ARS § 1-502 requires any person who applies to the City for a Local Public Benefit (defined as a Grant, Contract or Loan) must demonstrate through the presentation of one (1) of the following documents that he/she is lawfully present in the United States (See the Solicitation Instructions for more information).

*Please place a check mark next to the applicable document and present the document to the City employee. If mailing the response, attach a copy of the document to this Affidavit. (If the document says on its face that it may not be copied or you know for reasons of confidentiality that it cannot be copied, you will need to present the document in person to the City for review and signing of the affidavit.)*

- 1. **Arizona driver license issued after 1996.**  
Print first 4 numbers/letters from license: \_\_\_\_\_
- 2. **Arizona non-operating identification license.**  
Print first 4 numbers/letters: \_\_\_\_\_
- 3. **Birth certificate or delayed birth certificate issued in any state, territory or possession of the United States.**  
Year of birth: \_\_\_\_\_ Place of birth: \_\_\_\_\_
- 4. **United States Certificate of Birth abroad.**  
Year of birth: \_\_\_\_\_ Place of birth: \_\_\_\_\_
- 5. **United States passport.**  
Print first 4 numbers/letters on Passport: \_\_\_\_\_
- 6. **Foreign passport with a United States Visa.**  
Print first 4 numbers/letters on Passport: \_\_\_\_\_  
Print first 4 numbers/letters on Visa: \_\_\_\_\_
- 7. **I-94 form with a photograph.**  
Print first 4 numbers on I-94: \_\_\_\_\_
- 8. **United States Citizenship & Immigration Services Employment Authorization Document (EAD).**  
Print first 4 numbers/letters on EAD: \_\_\_\_\_
- 9. **Refugee travel document.**  
Date of Issuance: \_\_\_\_\_ Refugee Country: \_\_\_\_\_
- 10. **United States Certificate of Naturalization.**  
Print first 4 digits of CIS Reg. No.: \_\_\_\_\_
- 11. **United States Certificate of Citizenship.**  
Date of Issuance: \_\_\_\_\_ Place of Issuance: \_\_\_\_\_
- 12. **Tribal Certificate of Indian Blood.**  
Date of Issuance: \_\_\_\_\_ Name of Tribe: \_\_\_\_\_
- 13. **Tribal or Bureau of Indian Affairs Affidavit of Birth.**  
Year of Birth: \_\_\_\_\_ Place of Birth: \_\_\_\_\_
- 13. **Consular ID Card.**  
Country: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

In accordance with the requirements of Arizona law, I do swear or affirm under penalty of perjury that I am lawfully present in the United States and that the document I presented to establish this presence is true.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Business/Company Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Verification of Attachment by City Staff:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature Date



**RESPONDENT CERTIFICATION**

**By submitting the Response and signing this Certification, the Respondent understands and certifies to all of the following:**

- a) The information provided in Respondent's Response is true and accurate to the best of Respondent's knowledge.
- b) Respondent is under no legal prohibition that would prevent Respondent from contracting with the City of Mesa.
- c) Respondent has read and understands the Solicitation packet as a whole (including attachments, exhibits, and referenced documents) and: (i) can attest that Respondent is in compliance with the requirements of the Solicitation packet; and (ii) is capable of fully carrying out the requirements of the Solicitation as set forth in Respondent's Response.
- d) To Respondent's knowledge, Respondent and Respondent's employees have no known, undisclosed conflicts of interest as defined by applicable law or City of Mesa Procurement Rules. If Respondent or Respondent employees have a known conflict of interest, Respondent has disclosed the conflict in its Response.
- e) Respondent did not engage in any anti-competitive practices related to its Response or the Solicitation. The prices offered by Respondent were independently developed without consultation or collusion with any other Respondents or potential Respondents.
- f) No gifts, payments or other consideration were made to any City employee, officer, elected official, agent, or consultant who has or may have a role in the procurement process for the services/materials covered by the Solicitation.
- g) Respondent grants the City of Mesa permission to copy all parts of its Response including, without limitation, any documents and materials copyrighted by Respondent: (i) for the City's use in evaluating the Response; and (ii) to be disclosed in response to a public records request under Arizona's public records law (A.R.S. § 39-121 et. seq.) or other applicable law, subpoena, or other judicial process provided such disclosure is in accordance with City of Mesa Procurement Rule 6.13.
- h) If a contract is awarded to Respondent as a result of the Response submitted to the Solicitation Respondent will:
  - i. Provide the materials or services specified in the Response in compliance with all applicable federal, state, and local statutes, rules and policies;
  - ii. Honor all elements of the Response submitted by Respondent to the City including, but not limited to, the price and the materials/services to be provided; and
  - iii. Enter into an agreement with the City based on the terms and conditions of the Solicitation and the Response, subject to any negotiated exceptions and terms.
- i) Respondent is current in all obligations due to the City including any amounts owed the City and any licenses/permits required for the general lawful conduct of business. Respondent shall acquire all licenses/permits necessary to lawfully conduct business specific to the Solicitation prior to the execution of a contract with the City pertaining to the Solicitation.
- j) The signatory of this Certification is an officer or duly authorized agent of Respondent with full power and authority to submit binding offers for the goods/services specified herein. Respondent intends by the submission of this Certification to be bound by the terms of the Certification, Solicitation, and Response, subject to any negotiated terms/exceptions.

**ACCEPTED AND AGREED TO BY RESPONDENT:**

Company Name: BI Incorporated

Signature: 

Printed Name: Danna Coapland

Title: Vice President, Finance

Date: 03/10/22

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type.  
 See Specific Instructions on page 3.

1	Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>BI, Inc.</b>	
2	Business name/disregarded entity name, if different from above	
3	Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small> <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):  Exempt payee code (if any) <u>5</u>  Exemption from FATCA reporting code (if any) <u>E</u> <small>(Applies to accounts maintained outside the U.S.)</small>
5	Address (number, street, and apt. or suite no.) See instructions. <b>6265 Gunbarrel Avenue, Suite B</b>	Requester's name and address (optional)
6	City, state, and ZIP code <b>Boulder, CO 80301</b>	
7	List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>	
[ ] [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ]	
or	
<b>Employer identification number</b>	
8 4 - 0 7 6 9 9 2 6	

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here**    Signature of U.S. person ▶ *Randal S Allen*

Date ▶ *2-1-22*

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)  
 Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.  
*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

## Tab 6—Appendices

### Appendix A—Supplier Diversity Program

Immediately following this page, please find a copy of BI's *Supplier Diversity Program*.

## Appendix B—Diversity Alliances and Certifications

Immediately following this page, please find certifications for our diverse supplier partners. BI has received the most recent certifications that were possible given the short timeframe of the RFP process. BI will continue to provide these to you, post-award and throughout the evaluation process.

We certify that all the suppliers are certified.

## Appendix C—Resumes

Immediately following this page, please find resumes of the following proposed personnel:

- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]

## Appendix D—FCC Certificates

All of BI's proposed equipment is FCC certified. Immediately following this page, please find copies of FCC Certificates for BI products.

- LOC8 XT
- LOC8
- ExacuTrack One
- HomeGuard 20|20
- HomeGuard 206, 200, and GroupGuard
- Drive-BI
- SL3
- SL2
- Sobriotor
- TAD

TCB

GRANT OF EQUIPMENT  
AUTHORIZATION

TCB

Certification  
Issued Under the Authority of the  
Federal Communications Commission  
By:

Intertek Testing Services NA, Inc.  
70 Codman Hill Road  
Boxborough, MA 01719

Date of Grant: 07/09/2018

Application Dated: 06/24/2018

u-blox AG  
Zuercherstrasse 68  
Thalwil, Ch-8800  
Switzerland

Attention: Giulio Comar , Certification Manager

## NOT TRANSFERABLE

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is  
VALID ONLY for the equipment identified hereon for use under the Commission's Rules  
and Regulations listed below.

FCC IDENTIFIER: XPY2AGQN4NNN  
Name of Grantee: u-blox AG  
Equipment Class: PCS Licensed Transmitter  
Notes: Cat M1 GPS Tracker  
Modular Type: Single Modular

<u>Grant Notes</u>	<u>FCC Rule Parts</u>	<u>Frequency Range (MHZ)</u>	<u>Output Watts</u>	<u>Frequency Tolerance</u>	<u>Emission Designator</u>
	27	699.0 - 716.0	0.251	1.0 PM	1M11G7D
	27	699.0 - 716.0	0.269	1.0 PM	1M11W7D
	27	699.0 - 716.0	0.148	1.0 PM	134KF7W
	27	699.0 - 716.0	0.218	1.0 PM	190KF7W
	27	1710.0 - 1755.0	0.245	1.0 PM	1M24G7D
	27	1710.0 - 1755.0	0.245	1.0 PM	1M13W7D
	27	1710.0 - 1755.0	0.188	1.0 PM	78K7F9W
	27	1710.0 - 1755.0	0.191	1.0 PM	196KF9W
	22H	824.0 - 849.0	0.316	1.0 PM	1M11G7D
	22H	824.0 - 849.0	0.316	1.0 PM	1M11W7D
	22H	824.0 - 849.0	0.169	1.0 PM	130KF7W
	22H	824.0 - 849.0	0.199	1.0 PM	192KF7W
	24E	1850.0 - 1910.0	0.302	1.0 PM	1M12G7D
	24E	1850.0 - 1910.0	0.302	1.0 PM	1M12W7D
	24E	1850.0 - 1910.0	0.199	1.0 PM	132KF7W
	24E	1850.0 - 1910.0	0.211	1.0 PM	192KF7W
	27	777.0 - 787.0	0.269	1.0 PM	1M13G7D
	27	777.0 - 787.0	0.275	1.0 PM	1M21W7D
	27	777.0 - 787.0	0.146	1.0 PM	134KF7W
	27	777.0 - 787.0	0.228	1.0 PM	190KF7W

Single Modular Approval. Power output listed is conducted.

C2PC approval for portable use with respect to RF exposure compliance. Device must operate with a maximum duty factor not exceeding that described in this filing. The duty factor must be implemented in factory firmware. Device may only be marketed to OEM installers.

The Installers and end-users must be provided with operating conditions for satisfying RF exposure compliance. Maximum permitted antenna gain/cable loss: 4.41 dBi for B5, 7.0 dBi for B2, 3.66 dBi for B12, 3.94 dBi for B13, 6.75 dBi for B4.



**GRANT OF EQUIPMENT  
AUTHORIZATION**

**Certification  
Issued Under the Authority of the  
Federal Communications Commission**

**By:**

**Intertek Testing Services NA, Inc.  
70 Codman Hill Road  
Boxborough, MA 01719**

**Date of Grant: 07/08/2014**

**Application Dated: 07/08/2014**

**BI Incorporated  
6400 Lookout Road  
Boulder, CO 80301**

**Attention: Victor Rompa , Director Product Development & Strategic Plannin**

**NOT TRANSFERABLE**

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

**FCC IDENTIFIER:** CSQ-LC800A  
**Name of Grantee:** BI Incorporated  
**Equipment Class:** Part 15 Security/Remote Control Transmitter  
**Notes:** The BI LOC8 device is a single-piece, ankle-mounted tracking unit using GPS data and other location monitoring technologies to track individuals supervised by law enforcement agencies or pursuant to the order of a court

Grant Notes

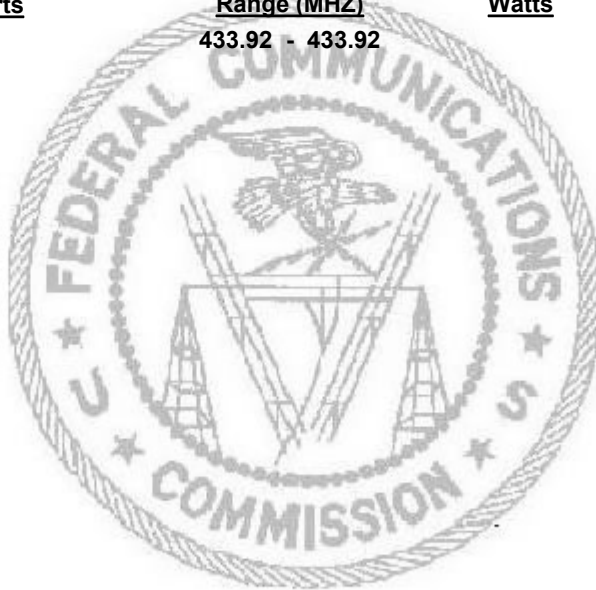
FCC Rule Parts  
15.231(e)

Frequency Range (MHZ)  
433.92 - 433.92

Output Watts

Frequency Tolerance

Emission Designator





**GRANT OF EQUIPMENT CERTIFICATION  
 UNDER 47 CFR, PART 68  
 CONNECTION OF TERMINAL EQUIPMENT  
 TO THE TELEPHONE NETWORK  
 AND ADMINISTRATIVE COUNCIL FOR  
 TERMINAL ATTACHMENTS (ACTA) ADOPTED CRITERIA  
 Issued By:**



**TCB**

**MET Laboratories, Inc.**  
 914 W. Patapsco Avenue  
 Baltimore, Maryland 21230

**TCB**

**TIA-968-A-2 EQUIPMENT CERTIFICATION**

EQUIPMENT CERTIFICATION is hereby issued to the named Responsible Party and is VALID ONLY for the equipment identified herein for use under the FCC Rules and Regulations contained in 47 CFR Part 68, TIA-968-A-2 and ACTA Adopted Technical Criteria.  
 NOT TRANSFERABLE

**FILE/CERTIFICATE NUMBER: 281-05-2004-S15450**

**CERTIFICATION NUMBER: US: GN7MM00B01-EX-520**

**Responsible Party:** BI Incorporated      **Date of Grant:** May 11, 2004

**Nature of Application:** Original

**Equipment Description:** Receiver with internal modem  
**Type of Equipment:** Modem providing one or more of data/fax/video/voice. Includes equipment with additional functions. Does not include LADC modems.

**Connector(s):** RJ11C      **AC REN:** 0.0B

<u>Trade Name(s)</u>	<u>Model Number(s)</u>	<u>Other Certification/Models(s) Affected</u>
BI ExacuTrack Base Station	EX-520	

**Authorized Network Ports:**      **Facility Interface Code(s):** 02LS2  
**Service Order Code:** 9,0Y

Subject to the provisions of 47 CFR Part 68, certification is hereby granted for the equipment listed herein. Any change in model number or trade name requires amendment of the certification. Each piece of equipment bearing the listed trade name(s) and model number(s) shall be labeled in accordance with the provisions of 47 CFR Part 68.300 and TIA/TSB168.

Telephone equipment containing radio frequency circuitry may require additional equipment authorization(s) to be issued prior to marketing such equipment in the United States. Failure to obtain the required equipment authorizations, when required, may subject the registrant to fines and penalties provided for in Table V, Section 501 and 503 of the Communications Act of 1934, as amended.

A COPY OF THIS CERTIFICATE MUST BE PRESENTED TO U.S. CUSTOMS WHEN ANY FOREIGN-MADE PRODUCTS IDENTIFIED HEREIN ARE IMPORTED INTO THE U.S. Correspondence concerning this grant, please refer to the FCC/ACTA Certification Number and the Date of the Grant.

**Mail To:** Dennis Alcott  
 BI Incorporated  
 6400 Lookout Rd.  
 Boulder, CO 80301

Printed: 5/11/2004



TCB

GRANT OF EQUIPMENT  
AUTHORIZATION

TCB

**Certification**  
**Issued Under the Authority of the**  
**Federal Communications Commission**  
**By:**

Intertek Testing Services NA, Inc.  
 70 Codman Hill Road  
 Boxborough, MA 01719

Date of Grant: 07/09/2018  
 Application Dated: 06/24/2018

u-blox AG  
 Zuercherstrasse 68  
 Thalwil, Ch-8800  
 Switzerland

Attention: Giulio Comar , Certification Manager

**NOT TRANSFERABLE**

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

FCC IDENTIFIER: XPY2AGQN4NNN

Name of Grantee: u-blox AG

Equipment Class: PCS Licensed Transmitter

Notes: Cat M1 GPS Tracker

Modular Type: Single Modular

<u>Grant Notes</u>	<u>FCC Rule Parts</u>	<u>Frequency Range (MHZ)</u>	<u>Output Watts</u>	<u>Frequency Tolerance</u>	<u>Emission Designator</u>
	27	699.0 - 716.0	0.251	1.0 PM	1M11G7D
	27	699.0 - 716.0	0.269	1.0 PM	1M11W7D
	27	699.0 - 716.0	0.148	1.0 PM	134KF7W
	27	699.0 - 716.0	0.218	1.0 PM	190KF7W
	27	1710.0 - 1755.0	0.245	1.0 PM	1M24G7D
	27	1710.0 - 1755.0	0.245	1.0 PM	1M13W7D
	27	1710.0 - 1755.0	0.188	1.0 PM	78K7F9W
	27	1710.0 - 1755.0	0.191	1.0 PM	196KF9W
	22H	824.0 - 849.0	0.316	1.0 PM	1M11G7D
	22H	824.0 - 849.0	0.316	1.0 PM	1M11W7D
	22H	824.0 - 849.0	0.169	1.0 PM	130KF7W
	22H	824.0 - 849.0	0.199	1.0 PM	192KF7W
	24E	1850.0 - 1910.0	0.302	1.0 PM	1M12G7D
	24E	1850.0 - 1910.0	0.302	1.0 PM	1M12W7D
	24E	1850.0 - 1910.0	0.199	1.0 PM	132KF7W
	24E	1850.0 - 1910.0	0.211	1.0 PM	192KF7W
	27	777.0 - 787.0	0.269	1.0 PM	1M13G7D
	27	777.0 - 787.0	0.275	1.0 PM	1M21W7D
	27	777.0 - 787.0	0.146	1.0 PM	134KF7W
	27	777.0 - 787.0	0.228	1.0 PM	190KF7W

Single Modular Approval. Power output listed is conducted.

C2PC approval for portable use with respect to RF exposure compliance. Device must operate with a maximum duty factor not exceeding that described in this filing. The duty factor must be implemented in factory firmware. Device may only be marketed to OEM installers.

**United States of America**  
**FEDERAL COMMUNICATIONS COMMISSION**  
**GRANT OF FCC EQUIPMENT CERTIFICATION**

**TCB**

Issued Under the Authority of the  
**FEDERAL COMMUNICATIONS COMMISSION**

**TCB**

By:  
**Communication Certification Laboratory**  
1940 West Alexander Street  
Salt Lake City, UT 84119-2039

*CERTIFICATION UNDER CFR 47 PART 68 ADMINISTRATIVE COUNCIL FOR TERMINAL ATTACHMENTS (ACTA) TELEPHONE TERMINAL EQUIPMENT - TECHNICAL REQUIREMENTS FOR CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK, TIA-968-A-1 + A-2 + A-3 + A-4 + A-5, TIA-1096.*

*SUBJECT TO THE PROVISIONS OF PART 68 STANDARD OF THE FCC RULES AND REGULATIONS, CERTIFICATION IS HEREBY GRANTED FOR THE EQUIPMENT LISTED HEREIN. ANY CHANGE IN MODEL NUMBER OR TRADE NAME REQUIRES AMENDMENT OF CERTIFICATION. EACH PIECE OF EQUIPMENT BEARING THE LISTED TRADE NAME(S) AND MODEL NUMBER(S) SHALL BE LABELED IN ACCORDANCE WITH THE PROVISIONS OF SECTION TSB168.*

*TELEPHONE EQUIPMENT CONTAINING RADIO-FREQUENCY CIRCUITRY MAY REQUIRE ADDITIONAL, AUTHORIZATION(S) TO BE ISSUED BY THE COMMISSION PRIOR TO MARKETING SUCH EQUIPMENT IN THE UNITED STATES. FAILURE TO OBTAIN THE REQUIRED EQUIPMENT AUTHORIZATIONS MAY SUBJECT THE RESPONSIBLE PARTY TO FINES AND PENALTIES PROVIDED FOR IN TABLE V, SECTION 501 AND 503 OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED.*

*FUTURE CORRESPONDENCE CONCERNING THIS GRANT SHOULD REFERENCE THE FILE NUMBER, THE CERTIFICATION NUMBER AND DATE OF GRANT.*

**Certification No:** GN7-USA-27502-MD-E

**File No:** 1450

**Date Granted:** 4/29/2008

**Responsible Party:** BI INCORPORATED

**Manufacturer Name:** BI Incorporated

**Equipment Description:** Receiver with internal modem

**Nature of Filing:** Modification to add new model

**AC-REN:** 0.7B

**Connectors:** RJ11C

**Type of Equipment:** MD - MULTIFUNCTION DATA DEVICES INCLUDING DIALING MODEMS

**Trade Name**

HomeGuard 200 Receiver

HomeGuard 206 Receiver

**Model No.**

HG200R

HG206R

**Authorized Network Ports:** N/A

**Service Order Code:** N/A

ALL PRODUCTS LISTED ABOVE MUST BE LABELED AS SPECIFIED IN TSB168.

A COPY OF THIS CERTIFICATE MUST BE PRESENTED TO THE U.S. CUSTOMS SERVICES WHEN ANY FOREIGN-MADE PRODUCTS IDENTIFIED HEREIN ARE IMPORTED INTO THE U.S.

UNITED STATES OF AMERICA  
FEDERAL COMMUNICATIONS COMMISSION

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**PART 68 - EQUIPMENT REGISTRATION**

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WASHINGTON, D.C. 20554

REGISTRATION UNDER PART 68, CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

SUBJECT TO THE PROVISIONS OF PART 68 OF THE COMMISSION'S RULES AND REGULATIONS, REGISTRATION IS HEREBY GRANTED FOR THE EQUIPMENT LISTED HEREIN. ANY CHANGE IN MODEL NUMBER OR TRADE NAME REQUIRES AMENDMENT OF REGISTRATION. EACH PIECE OF EQUIPMENT BEARING THE LISTED TRADE NAME(S) AND MODEL NUMBER(S) SHALL BE LABELED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 68.300.

TELEPHONE EQUIPMENT CONTAINING RADIO-FREQUENCY CIRCUITRY MAY REQUIRE ADDITIONAL EQUIPMENT AUTHORIZATION(S) TO BE ISSUED BY THE COMMISSION PRIOR TO MARKETING SUCH EQUIPMENT IN THE UNITED STATES. FAILURE TO OBTAIN THE REQUIRED EQUIPMENT AUTHORIZATIONS, WHEN REQUIRED, MAY SUBJECT THE REGISTRANT TO FINES AND PENALTIES PROVIDED FOR IN TABLE V, SECTION 501 AND 503 OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED.

FUTURE CORRESPONDENCE CONCERNING THIS GRANT SHOULD REFERENCE THE FILE NUMBER, THE REGISTRATION NUMBER AND DATE OF GRANT.

REGISTRATION NUMBER: GN7USA-27502-MD-E    FILE NUMBER: 1967-CX-99    DATE OF GRANT: 05/20/1999

REGISTRANT: BI, INC.    MANUFACTURER: BI, INC.

TYPE OF EQUIPMENT: MULTIFUNCTION DATA DEVICES INCLUDING DIALING MODEMS

NATURE OF APPLICATION: ORIGINAL - RECEIVER WITH INTERNAL MODEM

AC REN: 0.7B    DC REN: 0.0    CONNECTORS: RJ11C

TRADE NAME(S)	MODEL NUMBER(S)	OTHER REGISTRATION(S) AFFECTED
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HOMEGUARD 200 RECEIVER	HG200R	
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Date Printed: Tue May 25 1999    Time: 13:22:25

ALL PRODUCTS LISTED ABOVE MUST BE LABELED AS SPECIFIED IN 47 C.F.R. Sec. 68.300.  
A COPY OF THIS CERTIFICATE MUST BE PRESENTED TO U.S. CUSTOMS WHEN ANY FOREIGN-MADE PRODUCTS IDENTIFIED HEREIN ARE IMPORTED INTO THE U.S.



# GRANT OF EQUIPMENT AUTHORIZATION

Certification

BI Incorporated  
6400 Lookout Road  
Boulder CO 80301

Date of Grant: 6/8/99

Application Dated: 5/1/99

Attention: Al Chamberlain

## NOT TRANSFERABLE

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

FCC IDENTIFIER

**CSQHG200A**

Name of Grantee

**BI Incorporated**

Equipment Class : Part 15 Security/Remote Control Transmitter

Notes: House Arrest Transmitter

<u>Output</u>	<u>Frequency</u>	<u>Emission</u>
<u>Watts</u>	<u>Tolerance</u>	<u>Designator</u>

Grant Notes

FCC Rule Parts

Frequency Range (MHZ)

37

15

314.2

37: This device has shown compliance with new rules adopted under Docket 87-389 and is not affected by Section 15.37, transition rule



EA94079

In correspondence concerning this grant, please refer to the FCC IDENTIFIER and the date of grant. *pdw*

FCC 731A  
October 1991

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

GRANT OF EQUIPMENT AUTHORIZATION

┌ Certification Date of Grant: September 14, 1992  
BI Incorporated  
6400 Lookout Road  
Boulder, CO 80301  
File No.: 31010/EQU 4-3-2  
Application dated: July 6, 1992  
└ Attention: Al Chamberlain

NOT TRANSFERABLE

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

FCC IDENTIFIER CSQHESACT02  
Name of Grantee BI Incorporated

FCC Rule Part(s): 15

Frequency (MHz) : 0.230

Equipment Class : Low Power Transmitter Below 1705 kHz

Detention Transmitter

This device has shown compliance with new rules adopted under Docket 87-389 and is not affected by Section 15.37, transition rule.



# CERTIFICATE OF TECHNICAL ACCEPTABILITY FOR RADIO EQUIPMENT

# CERTIFICAT D'ACCEPTABILITÉ TECHNIQUE DE MATÉRIEL RADIO

CERTIFICATION No. No. DE CERTIFICATION	► 1499 K1166			
ISSUED TO DÉLIVRÉ A	► BI INCORPORATED			
TYPE OF EQUIPMENT GENRE DE MATÉRIEL	► SYSTEM ACTIVATOR			
TRADE NAME AND MODEL MARQUE ET MODELE	► HOME ESCORT SR ACTIVATOR			
FREQUENCY RANGE BANDE DE FRÉQUENCES	► 230 kHz			
EMISSION DESIGNATION DESIGNATION D'ÉMISSION	► 20K0L1D			
R.F. POWER RATING PUISSANCE NOMINALE H.F.	► 5 uWatts			
CERTIFIED TO CERTIFIÉ SELON LE	► SPECIFICATION CAHIER DES CHARGES	GRR II RSP100	ISSUE ÉDITION	6 (1)(m)(i)(B) 6

Certification of equipment means only that, from a technical point of view, such equipment is capable of performing in a satisfactory manner. License applications, where applicable to use certified equipment, are acted on accordingly by the issuing office and will depend on the existing radio environment, service and location of operation.

La certification du matériel radioélectrique signifie seulement que du point de vue technique, ce matériel peut fonctionner de façon satisfaisante. Les demandes de licence, le cas échéant en vue de l'utilisation de matériel certifié seront traitées en conséquence par le bureau chargé de délivrer lesdites licences, en tenant compte du milieu radioélectrique ambiant, du service radio existant et de l'emplacement de la station.

This certificate is issued on condition that the holder complies and will continue to comply with the requirements of the Radio Standards Specifications and Procedures issued by the Department.

Le présent certificat est délivré à condition que le détenteur se conforme et continue à se conformer aux cahiers des charges et procédures sur les normes radioélectriques publiées par le ministère.

ISSUED UNDER THE AUTHORITY OF MINISTER OF COMMUNICATIONS  
DÉLIVRÉ AVEC L'AUTORISATION DU MINISTRE DES COMMUNICATIONS

DATE December 21, 1992

For

DIRECTOR GENERAL  
ENGINEERING  
PROGRAMS  
BRANCH

DIRECTEUR GÉNÉRAL  
DIRECTION  
DES PROGRAMMES  
TECHNIQUES



FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

GRANT OF EQUIPMENT AUTHORIZATION

Certification	
┌	┐
B I Incorporated 6175 Longbow Drive Boulder, CO 80301	Date of Grant: September 27, 1989 File No. 31010/EQU 4-3-1 Application dated August 4, 1989
└	┘
Attention: Don Melton	

NOT TRANSFERABLE

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

FCC IDENTIFIER CSQHESEB01  
Name of Grantee B I Incorporated

~~Manufacturer~~

FCC Rule Part(s): 15  
Frequency (MHz) : 303.875  
Equipment Class : Low Power Communications Device Receiver

Superheterodyne security surveillance receiver.

This device has shown compliance with new rules adopted under Docket 87-389 and is not affected by Section 15.37, transition rule.

Mail to:  
K. Johnson  
Communication Certification Lab.  
1940 W. Alexander St.  
Salt Lake City, UT 84119-2039



**RADIO EQUIPMENT CERTIFICATE      CERTIFICAT DE MATÉRIEL RADIO**

CERTIFICATE OF  
CERTIFICAT D'  TYPE APPROVAL  
HOMOLOGATION N°

TECHNICAL ACCEPTABILITY  
ACCEPTABILITE TECHNIQUE N° 1499 K784

ISSUED TO  
DELIVRE A BI, INC.

MANUFACTURER  
FABRICANT BI, INC.

CANADIAN REPRESENTATIVE  
REPRESENTANT CANADIEN JUSTICE ELECTRONICS

TYPE OF EQUIPMENT  
GENRE DE MATERIEL SECURITY RECEIVER

TRADE NAME AND MODEL  
MARQUE ET MODELE DRIVE-BI

TRANSCEIVER - ÉMETTEUR-RÉCEPTEUR

TRANSMITTER - ÉMETTEUR

RECEIVER - RÉCEPTEUR

FREQUENCY RANGE  
BANDE DE FREQUENCES 299 MHz - 320 MHz

NUMBER OF CHANNELS  
NOMBRE DE VOIES ONE

TYPE OF EMISSION  
TYPE D'EMISSION 80K0L1D--

R.F. POWER RATING  
PUISSANCE NOMINALE H.F. ----

CERTIFIED UNDER  
CERTIFIE EN VERTU

PROCEDURE  
DE LA PROCEDURE RSP100 ISSUE  
EDITION 6

SPECIFICATION  
CAHIER DES CHARGES TRC-51 ISSUE  
EDITION 2 AND GL-17

Certification of equipment means only that, from a technical point of view, such equipment is capable of performing in a satisfactory manner. License applications, where applicable to use certified equipment, are acted on accordingly by the issuing office and will depend on the existing radio environment, service and location of operation.

La certification du matériel radioélectrique signifie seulement que du point de vue technique, ce matériel peut fonctionner de façon satisfaisante. Les demandes de licence, le cas échéant en vue de l'utilisation de matériel certifié seront traitées en conséquence par le bureau chargé de délivrer lesdites licences, en tenant compte du milieu radioélectrique ambiant, du service radio existant et de l'emplacement de la station.

This certificate is issued on condition that the holder complies and will continue to comply with the requirements of the Radio Standards Specifications and Procedures issued by the Department.

Le présent certificat est délivré à condition que le détenteur se conforme et continue à se conformer aux cahiers des charges et procédures sur les normes radioélectriques publiées par le ministère.

ISSUED UNDER THE AUTHORITY OF MINISTER OF COMMUNICATIONS  
DELIVRE AVEC L'AUTORISATION DU MINISTRE DES COMMUNICATIONS

DATE March 5, 1991

  
FOR  
DIRECTOR GENERAL  
TELECOMMUNICATION  
REGULATION SERVICE  
DIRECTEUR GÉNÉRAL  
SERVICE DE LA RÉGLEMENTATION  
DES TÉLÉCOMMUNICATIONS

**TCB**

**GRANT OF EQUIPMENT  
AUTHORIZATION**

**TCB**

**Certification  
Issued Under the Authority of the  
Federal Communications Commission  
By:**

**CETECOM Inc.  
411 Dixon Landing Road  
Milpitas, CA 95035**

**Date of Grant: 05/11/2020  
Application Dated: 05/11/2020**

**BI Incorporated  
6265 Gunbarrel Avenue  
Suite B  
Boulder, CO 80301**

**Attention: Evencio Fernandez , VP, Hardware Engineering**

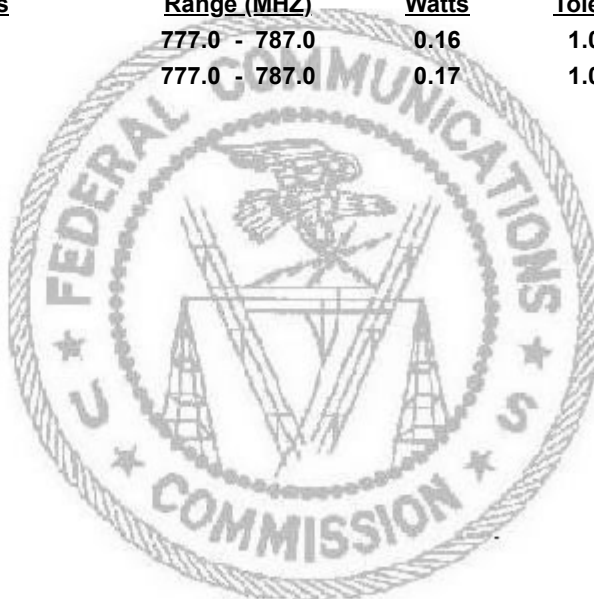
**NOT TRANSFERABLE**

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

**FCC IDENTIFIER:** CSQ-SL300A  
**Name of Grantee:** BI Incorporated  
**Equipment Class:** Licensed Non-Broadcast Transmitter Worn on Body  
**Notes:** Mobile breathalyzer with LTE capability.

<u>Grant Notes</u>	<u>FCC Rule Parts</u>	<u>Frequency Range (MHZ)</u>	<u>Output Watts</u>	<u>Frequency Tolerance</u>	<u>Emission Designator</u>
	27	777.0 - 787.0	0.16	1.0 PM	1M34G7D
	27	777.0 - 787.0	0.17	1.0 PM	1M44W7D

Powers listed are RMS ERP.



**TCB**

**GRANT OF EQUIPMENT  
AUTHORIZATION**

**TCB**

**Certification  
Issued Under the Authority of the  
Federal Communications Commission  
By:**

**Nemko Canada Inc.  
303 River Road  
Ottawa, Ontario, K1V 1H2  
Canada**

**Date of Grant: 12/21/2011  
Application Dated: 12/21/2011**

**Telit Communications S.p.A.  
Viale Stazione di Prosecco 5/b  
Trieste, 34010  
Italy**

**Attention: Brian Tucker , Global VP, Quality**

**NOT TRANSFERABLE**

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

**FCC IDENTIFIER: RI7DE910-DUAL  
Name of Grantee: Telit Communications S.p.A.  
Equipment Class: PCS Licensed Transmitter  
Notes: DUAL BAND CDMA/GPS module  
Modular Type: Single Modular**

<u>Grant Notes</u>	<u>FCC Rule Parts</u>	<u>Frequency Range (MHZ)</u>	<u>Output Watts</u>	<u>Frequency Tolerance</u>	<u>Emission Designator</u>
	22H	824.7 - 848.31	0.3	2.5 PM	1M29F9W
	24E	1851.25 - 1908.75	0.274	2.5 PM	1M29F9W

Power listed is conducted. The maximum antenna gain including cable loss for compliance with radiated power limits, RF exposure requirements and the categorical exclusion requirements of 2.1091 is 5.12 dBi for part 22H and 6.12 dBi for part 24E. The antenna(s) used for this transmitter must be installed to provide a separation distance of at least 20 cm from all persons and must not transmit simultaneously with any other antenna or transmitter. This device is allowed only for OEM integration into host products. Consumer or end-user installation is not allowed. End-users and OEM integrators must be provided with specific information required to satisfy RF exposure compliance.

UNITED STATES OF AMERICA  
FEDERAL COMMUNICATIONS COMMISSION  
**PART 68 - EQUIPMENT REGISTRATION**

WASHINGTON, D.C. 20554

REGISTRATION UNDER PART 68, CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

SUBJECT TO THE PROVISIONS OF PART 68 OF THE COMMISSION'S RULES AND REGULATIONS, REGISTRATION IS HEREBY GRANTED FOR THE EQUIPMENT LISTED HEREIN, ANY CHANGE IN MODEL NUMBER OR TRADE NAME REQUIRES AMENDMENT OF REGISTRATION. EACH PIECE OF EQUIPMENT BEARING THE LISTED TRADE NAME(S) AND MODEL NUMBER(S) SHALL BE LABELED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 68.300.

TELEPHONE EQUIPMENT CONTAINING RADIO-FREQUENCY CIRCUITRY MAY REQUIRE ADDITIONAL EQUIPMENT AUTHORIZATION(S) TO BE ISSUED BY THE COMMISSION PRIOR TO MARKETING SUCH EQUIPMENT IN THE UNITED STATES. FAILURE TO OBTAIN THE REQUIRED EQUIPMENT AUTHORIZATIONS WHEN REQUIRED, MAY SUBJECT THE REGISTRANT TO FINES AND PENALTIES PROVIDED FOR IN TABLE V, SECTION 501 AND 503 OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED.

FUTURE CORRESPONDENCE CONCERNING THIS GRANT SHOULD REFERENCE THE FILE NUMBER, THE REGISTRATION NUMBER AND DATE OF GRANT.

REGISTRATION NUMBER: GN7USA-27124-WD-E    FILE NUMBER: 702-CX-99    DATE OF GRANT: 01/13/1999

REGISTRANT: BI, INC.    MANUFACTURER: BI INCORPORATED

TYPE OF EQUIPMENT: MULTIFUNCTION DATA DEVICES INCLUDING DIALING MODEMS

NATURE OF APPLICATION: ORIGINAL - REMOTE ALCOHOL MONITORING SYSTEM

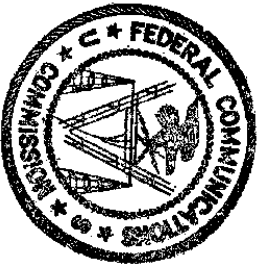
AC REN: 0.78    DC REN: 0.0    CONNECTORS: RJ11C

TRADE NAME(S)    MODEL NUMBER(S)    OTHER REGISTRATION(S) AFFECTED

SORRIETOR    93-9300

Date Printed: Wed Jan 20 1999    Time: 08:52:13

ALL PRODUCTS LISTED ABOVE MUST BE LABELED AS SPECIFIED IN 47 C.F.R. Sec. 68.300.  
A COPY OF THIS CERTIFICATE MUST BE PRESENTED TO U.S. CUSTOMS WHEN ANY FOREIGN-MADE PRODUCTS IDENTIFIED HEREIN ARE IMPORTED INTO THE U.S.



## EMC EMISSIONS - TEST REPORT (Full)

Test Report No. **3166782DEN-003c** Issue Date: Wednesday 19/Nov/08  
 Model / Serial No. **MN: TAD/SN: 9800021**  
 Product Type **Transdermal Alcohol Detector**  
 Client **BI Inc.**  
 Manufacturer **BI Inc.**  
 License holder **BI Inc.**  
 Address **6400 Lookout Rd**  
**Boulder CO 80301**

Test Criteria Applied **FCC 47 CFR Part 15.249**  
**IC RSS-210 issue 7** Title 47 CFR 15: RADIO FREQUENCY DEVICES  
 Test Result **PASS** Subpart C – Intentional Radiators  
 Test Project Number **3166782** Low-power License-exempt Radio Communication Devices  
 References (All Frequency Bands):  
 Total Pages **32** Category I Equipment  
 Including Appendices:

  
 Reviewed By : Ty Orosco

  
 Reviewed By : Michael Spataro

**REVISION SUMMARY - The following changes have been made to this Report:**

Rev.	Revision Statement	Author	Revision Date	Reviewer
	Initial Release of Document	See above	See above	

This report is for the exclusive use of Intertek's Client and is provided pursuant to the agreement between Intertek and its Client. Intertek's responsibility and liability are limited to the terms and conditions of the agreement. Intertek assumes no liability to any party, other than to the Client in accordance with the agreement, for any loss, expense or damage occasioned by the use of this report. Only the Client is authorized to copy or distribute this report and then only in its entirety. Any use of the Intertek name or one of its marks for the sale or advertisement of the tested material, product or service must first be approved in writing by Intertek. The observations and test results in this report are relevant only to the sample tested. This report by itself does not imply that the material, product, or service is or has ever been under an Intertek certification program. This report must not be used to claim product endorsement by NVLAP, NIST nor any other agency of the U.S. Government. Measurement uncertainty is not incorporated in to the PASS/FAIL results as stated above. A statement of uncertainty is made on page 2 and is for informational purposes.

## Appendix E—Specification Sheets

- One-Piece GPS Tracking System, Active GPS Portable Tracking, and Passive GPS Tracking
  - BI Solution: LOC8 XT, LOC8, and ExacuTrack One
- Radio Frequency Tracking
  - BI Solution: HomeGuard 20|20, 206, 200, Drive-BI, and GroupGuard
- Voice Tracking and Voice Verification and Message Reporting System
  - BI Solution: VoiceID
- Video and/or Voice Breath Alcohol Monitoring
  - BI Solution: SL3, SL2, and Sobriotor
- Continuous Alcohol Monitoring
  - BI Solution: TAD
- Mobile Breath Alcohol Monitoring
  - BI Solution: SL3 and SL2
- Supplemental Support Services
  - BI Solution: Agency Assist
- Smartphone Application
  - BI Solution: SmartLINK, TotalAccess Mobile, BI Mobile
- Data Analytics Software
  - BI Solution: Analytics Suite
- Online Monitoring Software
  - BI Solution: TotalAccess



# BI LOC8<sup>®</sup> XT

## EASIER THAN EVER TO STAY CHARGED, CONNECTED, AND COMPLIANT

BI LOC8<sup>®</sup> XT, the latest GPS tracking system from BI, improves ease of use and provides agencies with detailed information about a client's movement in the community. This rugged and dependable tracking device is equipped with LTE technology to meet agencies' future needs. With convenient cordless charging in under two hours, LOC8 XT makes it easier for clients to stay charged, connected, and compliant.

## UPGRADED BATTERY PERFORMANCE

LOC8 XT provides upgraded battery performance through a non-removable battery and extended battery life – up to 60-hours of performance on a single charge. The battery withstands environmental influences and requires minimal interaction from the client.

## WI-FI INDOOR/SECONDARY TRACKING

LOC8 XT searches for a location fix using GPS technology such as Assisted GPS, Autonomous GPS, and cellular location. Utilizing Wi-Fi signals, LOC8 XT can provide accurate location information even in impaired urban canyons or densely populated environments.

## EQUIPPED WITH LONG-TERM EVOLUTION (LTE) TECHNOLOGY

With GSM and CDMA network technology becoming obsolete in the next few years, LOC8 XT is equipped with LTE technology to improve data capacity and transfer speed, provide wider geographical coverage and improved network responsiveness, and increase network longevity.

## INTUITIVE MONITORING SOFTWARE

Officers with GPS caseloads can access industry-leading mapping technologies integrated with BI TotalAccess<sup>®</sup>. Google Maps<sup>®</sup> enables officers to easily build zones, track client movements, identify issues requiring immediate attention, and access a client's GPS points and location history in 2D and 3D views.

**Call 800.701.5171 today to schedule a product demo.**

## KEY FEATURES

### TRACKING UNIT

- Size: 4.3 x 1.5 x 2.5 in
- Weight: 6.1 oz
- Non-removable battery
- Up to 60-hours battery life on a single charge
- Convenient cordless charging
- Enhanced tamper detection including proximity tamper
- LTE network connectivity
- Water resistant
- Flash memory to preserve data, even if battery is depleted
- Internal diagnostics
- Fiber optic strap
- Wi-Fi indoor/secondary tracking
- Accelerometer/MEMS motion sensor
- Memory of 50,000 events
- Customizable reporting rate
- Built-in speaker for officer to client communication
- Search & Retrieve to assist in locating lost devices
- Vibration pulse notifications for hearing impaired users
- Optional beacon

### ONLINE MONITORING

- 24x7 online access
- Case management
- Dynamic mobile app
- Create inclusion and exclusion zones
- Mapping playback



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# BI LOC8®

Track offender location and movement in near-real time



## Key Features

### Tracking Unit

- Size: 4.125 x 2.5 x 1.25 inches
- Weight: with battery, strap – 6 oz
- LTE and CDMA cellular network connectivity
- Form & Fit: curves to leg
- Waterproof to 15 feet
- Flash memory
- Internal diagnostics
- Cordless battery charging
- LTE and CDMA cellular network connectivity
- 24 hours of battery life on a single charge
- Fiber optic strap
- Wi-Fi indoor/secondary tracking
- Accelerometer/MEMS motion sensor
- Memory of 50,000 events
- Client communication (Spanish and English): vibration, speaker, LEDs, audible alarms, client acknowledgement
- Multiple layers of tamper detection
- Customizable reporting rate

### Online Monitoring

- Designed for community corrections officers
- 24/7/365 online access
- Easy to learn and use
- Customized home page
- View caseloads at a glance
- Mapping playback



## The Next Generation of GPS Offender Tracking from BI

BI LOC8® is a light, compact, one piece, ankle-mounted device that tracks offender location and community movement in near-real time (as frequent as every 15 seconds). In standard operation, LOC8 searches for a location fix multiple times per minute, and records the best point every minute. GPS technology includes Assisted GPS, Autonomous GPS, and cellular location for optimal performance.

### Long-Term Evolution (LTE) Technology

With GSM and CDMA network technology becoming obsolete in the next few years, BI has equipped LOC8 with LTE technology to meet customers' future network needs. The technology uses different radio interfaces with a core network to improve data capacity and transfer speed, provide an extended battery life, and increase network longevity with a minimum of 10 years of network availability.

### Wi-Fi – Indoor Tracking & Secondary Location

LOC8 scans for surrounding Wi-Fi Access Points (AP), submits a list of Points with their signal strength to the host, and the host then sends a longitude/latitude coordinate back to render a location on the map.

### Client Communication Options

The built-in speaker provides the capability for officer-offender communication. Officers generate pre-recorded messages and prompts within the monitoring software and specify when messages should be sent. The vibration sensor notifications are acknowledged by the offender tapping the device case.

### Removable Battery for Cordless Charging

LOC8 is equipped with a removable battery, allowing offenders to remove and insert it into an external charger while installing a fully charged battery. Offenders have the option of carrying a spare battery and replacing a low battery in seconds if needed.

### Beacon Option

Agencies can pair LOC8 with our compact Beacon, an encrypted RF link in an offender's home. When LOC8 enters the beacon range, the RF link activates and the LOC8 tracking unit enters a lower power state. When LOC8 no longer detects the Beacon, it immediately returns to GPS acquisition.

### Intuitive Monitoring Software

BI TotalAccess® is a single software interface that includes case management, analytical tools, and a dynamic mobile app. Officers with GPS caseloads can access industry-leading mapping technologies integrated with BI TotalAccess. Google Maps® enables officers to easily build zones, track client movements, and identify issues requiring immediate attention. Officers can quickly see an offender's GPS points and location history in 2D and 3D views.

**Call 800.701.5171 today to schedule a product demo.**



# BI ExacuTrack® One



Offers flexibility and reliability  
in a single piece of equipment.

## Key Features

### Tracking Unit

- Size: 2.5 x 3.5 x 1.5 inches
- Weight: no battery, strap, clamp – 2.5 oz
- Weight: with battery, strap, clamp – 8.7 oz
- Waterproof to 15 feet
- Field replaceable battery
- Up to 80 hours of battery life on a single charge
- Replaceable fiber optic straps
- Multiple location technologies
- Memory of 50,000 events
- Client communication (Spanish and English)
- LED charging indicator
- Multiple layers of tamper detection
- Customizable reporting rate defaults to 30 minutes

### Beacon

- Transmits RF signal every 10-13 seconds
- Battery powered – no cords, easy installation
- Optional and may have up to three beacons per tracking unit/per client
- Weight: no batteries – 6 oz
- Weight: with batteries – 16 oz

### Online Monitoring

- Designed for community corrections officers
- 24x7x365 online access
- Easy to learn and use
- Customized homepage
- View caseloads at a glance
- Mapping playback



Along with near real-time location data, GPS systems can also produce far more information for officer interpretation and response. Officers need the best technology available to ensure the offender location data and alerts they receive are accurate – all in one piece of equipment for easy installation and inventory management.

## Product Overview

BI ExacuTrack® One is an ankle-mounted unit that tracks client location and movement within the community in near-real time (as frequently as once every 15 seconds) and gives detailed information to the central monitoring center as frequently as once per minute; for example, when a client enters an exclusion zone. Client location can also be found at any time by “pinging” the unit. Key features of ExacuTrack One include Autonomous GPS, Assisted GPS, and AFLT for optimal performance in various cellular coverage areas and conditions; LEDs and audible alarms indicate GPS coverage, beacon range, and battery status; and communication with the client through pre-defined and recorded voice messages which also require offender acknowledgement.

## The Beacon: An RF Link in the Home

Instead of the RF link being an ankle-worn monitor, it is provided through a beacon that actually serves as an RF transmitter. Up to three beacons can be linked with each tracking unit and placed in locations such as the home, work, or treatment center. When the client comes within range of the beacon, he or she is then monitored via RF technology while the tracking unit enters a low power state which conserves battery power while maintaining client compliance and schedule adherence. The beacon is a compact unit which contains two D-cell batteries allowing for quick, easy installation.

## Client Communication

With ExacuTrack One, officers are able to communicate with clients using pre-recorded messages and prompts through a waterproof speaker in the unit. Pre-recorded messages such as “Call officer” and “Report to office immediately” are available within the ExacuTrack monitoring software, and officers specify when messages should be sent. Once the message is received by the client, the message is acknowledged through a sensor on the tracking unit.

## Intuitive Monitoring Software

Client information is stored in a central, secured monitoring system and is available to officers with computer internet access or mobile access. The TotalAccess software uses Google Maps™ mapping service to provide visual maps for creating inclusion and exclusion zones in any shape and size, and color code them for zone type identification. The software allows officers to quickly and easily view their entire caseload at a glance and set custom notifications for each individual case. The system also supports varying user-levels and settings for agencies and officers.

**Call 800.701.5171 today to schedule a product demo.**



# BI HomeGuard® 20|20

## RF MONITORING JUST GOT BETTER

BI HomeGuard® has been the gold standard for radio frequency electronic monitoring for more than 20 years. The latest innovation, BI HomeGuard® 20|20, offers enhanced technology and features to improve both agency and client experience. The enhancements available in HomeGuard 20|20 demonstrate BI has a clear vision of agency and client needs and the experience to innovate future-ready products.

## COMPACT DESIGN

Designed with contemporary features for durability and reliability, this lightweight unit monitors the absence or presence of a client at a specific location, typically at home. The base station's low-profile design enables it to be stacked, greatly improving agency inventory capacity.

## ADVANCED TAMPER DETECTION FEATURES

Advanced tamper detection features promptly alert officers if the equipment is manipulated or damaged. Multi-tamper detection features include strap, case, and BI-exclusive proximity tamper.

## TEXT COMMUNICATION WITH CLIENT ACKNOWLEDGEMENT

The base station's LCD touch screen offers direct navigation and accessibility to both the officer and the client. New to the BI HomeGuard product line is the ability for officers to send immediate or scheduled text communications to the client, with the option to require client acknowledgement. The client can easily read and acknowledge officer text communications by simply tapping on the touch screen and following the prompts—it's intuitive and easy to use.

## ENHANCED SECURITY WITH GPS TECHNOLOGY

HomeGuard 20|20 is equipped with various technologies including GPS location, GLONASS positioning, and Wi-Fi triangulation to accurately pinpoint the base station's location in near real-time and aid in the recovery of lost equipment.

## RELIABLE CONNECTION

Dual internal antennas help to eliminate signal fading and dead spots. If one of the antennas falls into a dead spot, the unit can switch to the other antenna to provide a usable signal.

**Call 800.701.5171 today to schedule a product demo.**

## KEY FEATURES

### BRACELET

- Size: 2.1" H x 2.9" W x 1.0" D
- Weight: 2.0 oz
- Two years battery life
- Multiple tamper detection features
- Dual internal antennas
- 3-axis motion detection
- Waterproof up to 15 ft (5m) for 30 minutes

### BASE STATION

- Size: 3.0" H x 6.5" W x 7.5" D
- Weight: 1.26 lbs
- 3.5" color, LCD touch screen
- Cellular compatibility
- Immediate or scheduled officer text communication with client acknowledgement
- GPS, GLONASS, and Wi-Fi technologies
- LTE Cat M1 modem improves network access and increases data capacity, transfer speed, and network longevity
- Stackable design
- On-demand cell signal status
- 3-axis motion detection
- Case tamper detection
- 48-hour back-up battery
- 50,000 event storage in non-volatile memory
- Easy to perform range tests with on-screen instructions and automatic zone selection



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# BI HomeGuard®

## Key Features

### Bracelet

- Size: 2.7" x 2.8" x 0.9"
- Weight (full assembly): 3.3 oz
- Field-replaceable battery
- 12-month battery life
- Dual tamper detection
- Dual internal antennas

### Base Station

- Landline or Cellular compatibility
- 48-hour backup battery
- Message buffer (4,800 messages)
- Non-volatile memory
- Dual internal antennas
- Variable leave window
- Variable range settings

### Online Monitoring

- Designed for community corrections officers
- 24x7x365 access
- View caseloads at a glance
- Enroll/delete clients
- Manage client information
- Enter/modify client schedules
- View alerts
- Create, view, print, and download reports

## Reliable Home Curfew Monitoring

With an increasing number of offenders residing in our communities, criminal justice agencies need a dependable monitoring system to help supervise offenders effectively.

### Product Overview

The BI HomeGuard® electronic monitoring system is a radio frequency system that continuously verifies the presence or absence of a client at a specific location, usually the home. HomeGuard is offered with landline or cellular connection using either Verizon® or Sprint® network. The base station reports the client's presence/absence to the central monitoring center through the client's home phone line, which determines whether the client is adhering to or in violation of his or her authorized schedule. If the computer detects a violation, it generates an alert, and the central monitoring center sends a notification through the method(s) specified by the supervising agency or officer.

The HomeGuard system includes BI TotalAccess®, an easy-to-use, web-based application that gives agency staff the ability to access and manage information for all enrolled clients, including violation and equipment status information. By simply logging, officers have secure, 24x7x365 access and can complete various client data entry and monitoring tasks in real-time.

### Flexible & Reliable Monitoring

BI designed HomeGuard with the flexibility to meet a variety of curfew monitoring requirements. Configurable options allow agencies to match the monitoring rules to the risk assessment of the client. In addition to variable range settings, HomeGuard also offers a variable leave window and unlimited schedules.

The bracelet can be quickly and easily installed on the client's ankle. It has a 12-month field-replaceable battery, as well as tamper detection throughout the unit. BI's electronic dual tamper technology has been used to successfully monitor over four million offenders.

HomeGuard offers a 48-hour backup battery, message buffer, and nonvolatile memory to provide a high level of security. Monitoring services won't be disrupted due to power or phone failures.

**Call 800.701.5171 today to schedule a product demo.**





# BI HomeGuard® 206

Radio frequency monitoring using a cellular connection for clients without home phone lines.

## Key Features

### Transmitter

- Size (transmitter only): 2.7 x 2.8 x 0.9 inches
- Weight (full assembly): 3.3 ounces
- Field-replaceable battery
- 12-month battery life
- Dual tamper detection
- Dual internal antennas

### Receiver

- Embedded cellular unit
- 48-hour backup battery
- Message buffer (4,800 messages)
- Non-volatile memory
- Motion detection
- Dual internal antennas
- Variable leave window
- Variable range settings

### Online Monitoring

- Designed for community corrections officers
- 24x7x365 online access
- Easy to learn and use
- View caseloads at a glance
- Enroll and delete participants
- Manage participant information
- Enter and modify participant schedules
- View alerts
- Create, view, print, and download reports

## Reliable Home Curfew Monitoring

With an increasing number of offenders residing in our communities, criminal justice agencies need a dependable monitoring system to help supervise offenders effectively.

### Product Overview

The BI HomeGuard® 206 DS electronic monitoring system is a radio frequency system that continuously verifies the presence or absence of a client at a specific location, usually the home. Using a cellular connection on either the Verizon® or Sprint® network (dependent on coverage areas), the receiver reports the client's presence or absence to the central monitoring center which determines whether the client is adhering to (or in violation of) his or her authorized schedule. If the central monitoring center detects a violation, it generates an alert, and the monitoring center sends a notification through the method(s) specified by the supervising agency or officer.

The HomeGuard 206 system includes BI TotalAccess®, an easy-to-use, web-based application that gives agency staff the ability to access and manage information for all enrolled participants, including violation and equipment status information. By simply logging in at [www.bi.com](http://www.bi.com), officers have secure, 24x7x365 access and can complete various client data entry and monitoring tasks in real-time.

### No Home Phone Required

Because the HomeGuard 206 receiver has an embedded cellular unit, a traditional landline is no longer necessary. In addition, installation is easy as there is no extra equipment needed to enable cellular communication. HomeGuard 206 provides officers with a reliable tool to monitor an increasing client population - individuals without home phones.

### Flexible & Reliable Monitoring

BI designed HomeGuard with the flexibility to meet a variety of curfew monitoring requirements. Agency configurable options allow agencies to match the monitoring rules to the risk assessment of the offender. In addition to variable range settings, HomeGuard also offers a variable leave window and unlimited schedules.

The transmitter can be quickly and easily installed on the client's ankle. It has a 12-month field-replaceable battery, as well as tamper detection throughout the unit. BI's electronic dual tamper technology has been used to successfully monitor over four million offenders.

HomeGuard offers a 48-hour backup battery, message buffer, and non-volatile memory to provide a high level of security. Monitoring services won't be disrupted due to power or phone failures. With HomeGuard, agencies have a radio frequency monitoring system that they can depend on to effectively manage offender compliance with community-based sanctions.

### Industry Leading Monitoring

BI also provides monitoring services for BI compliance monitoring products through BI Monitoring Operations, BI's ISO 9001:2008 certified monitoring service center. Monitoring Operations Specialists monitor and report on client compliance with agency-specified sanctions. An agency may also choose to monitor clients using their own monitoring computer system, BI GuardServer® powered by TotalAccess. BI works closely with every customer to determine which monitoring system best meets their needs.

**Call 800.701.5171 today to schedule a product demo.**





# BI GroupGuard®

Specialized supervision by monitoring multiple family members or material witnesses who reside together in one location.

## Key Features

### Receiver

- Monitors multiple offenders in one residence
- 48-hour backup battery
- Non-volatile memory retains all downloaded messages
- 260 message buffer capability per client
- 20,000 message storage capability total
- Low battery notification
- Variable leave window
- Dual antenna

### Transmitter

- 12-month, field replaceable battery
- Ankle mount capability
- Dual tamper protection
- Hypoallergenic strap

### Compatibility

- BI Drive-BI®

## Community-Based Group Offender Supervision

Practical and cost-effective alternatives to incarceration are always being investigated by state, federal and local corrections agencies. In instances where multiple family members or material witnesses reside together and must be electronically monitored, BI GroupGuard® offers a reliable solution. GroupGuard was designed to meet the specific challenges of corrections agencies charged with handling unique offender housing situations.

## Product Overview

GroupGuard is a sophisticated electronic supervision system that enables agencies to accurately monitor more than one individual living in a single residence. This innovative option requires minimal equipment and ensures that offenders living in the same residence, while on electronic monitoring, comply with court and agency orders.

GroupGuard builds on the BI HomeGuard® 200 system, the premiere electronic monitoring system available today. Building on this proven technology, GroupGuard provides an effective solution when more than one monitored individual resides in a home. The GroupGuard device can “listen” to multiple transmitters and provide an accurate reading for individual schedules, curfews, and other information or events related to an offender on the system.

GroupGuard technology employs many of the features that corrections agencies have grown comfortable with – a transmitter worn by the offender, a receiver stationed in the home, and the ability to relay data to a host computer and monitoring specialists to verify schedules and curfews are in compliance. The GroupGuard receiver monitors the absence or presence of an offender within a specified range.

## Built-in Flexibility

Designed for quality and consistency, the GroupGuard system can meet any curfew monitoring requirements, ideal for matching different offender risks and needs. This includes variable range settings at the agency-level, as well as variable leave windows and unlimited schedules for each participant.

## Backed by the Industry Leader

BI has defined the standard for quality in electronic monitoring services. While many companies provide monitoring equipment, BI also provides wraparound monitoring services that ensure consistency, reliability, accuracy and responsiveness to support your offender monitoring programs. BI Monitoring Operations is a 24x7x365 service that guarantees expert support and guidance. And since BI is ISO 9001:2008 certified, BI Monitoring Operations is evaluated extensively in a rigorous and continuous examination and commitment to quality.



**Call 800.701.5171 today to schedule a product demo.**



# BI Drive-BI®

Portable Supervision Tool

## Features:

- Size: 9.1x4.4x2.0 inches
- Weight: 1.65 lbs
- Lightweight and portable
- Reports tamper and low-battery conditions
- Internal rechargeable battery
- 12V cigarette lighter adapter
- Portable and car-mount antennas
- Stores up to 250 transmitter messages
- Easy to read, backlit display
- Data transfer to PC capability

## Product Overview

BI Drive BI® is a portable, hand-held receiver that detects the presence of clients wearing BI TAD® or BI HomeGuard® Series transmitters from several hundred feet away. It enables supervising officers to conveniently monitor clients from outside a home, work, school, or counseling session. With Drive-BI, officers can extend monitoring outside of an offender's home to verify compliance with schedule requirements and sentence restrictions - without physical interaction or interruptions to the client's program. The Drive-BI can easily be recharged, and messages recorded by the system can be transferred to a client's record at the end of the day.

The Drive-BI stores up to 250 messages, and includes the transmitter type, identification number, battery status, and tamper status. The unit also stores the date and time that the transmitter messages are received. The internal, rechargeable battery provides up to eight hours of continuous operation. If the battery dies, all information and settings are retained in non-volatile memory. The Drive-BI battery can be recharged or run using a 120V external power supply or a 12V cigarette lighter adapter.

The Drive-BI can be used with a portable whip antenna which provides a signal range of approximately 150 feet or a magnetic car-mount antenna which provides a signal range of approximately 300 feet. The Drive-BI also has the ability to transfer stored messages to a computer in order to generate, analyze, or print a report.

**To find out how BI Drive-BI can support your agency's needs, please call us at 800.701.5171 or email [solutions@bi.com](mailto:solutions@bi.com).**





# BI VoicelD®

BI VoicelD offers simple, effective, and economical verification that clients are at home, work, school, or other locations as scheduled.

## Key Features

- Support for English, Spanish, French, Mandarin, and 30 additional languages
- Full integration within BI TotalAccess®
- Fixed and Random schedules with Daily, Weekly, and Monthly options
- Easily re-enroll a client's voiceprint at any time
- Name schedules for quick call window identification
- Automated client check-ins, responses, and explanations
- Monitor call counts
- Clear case summaries and caseload reporting
- Alerts via fax, email, or text
- View and resolve violations within TotalAccess

## Biometric Voice Verification

Now fully integrated with BI TotalAccess®, the BI VoicelD® voice verification system is an automated, easy-to-use, equipment-free, offender supervision tool for large caseloads with varying risk levels.

## Product Overview

VoicelD is an automated system that verifies each client's identity through biometric "voice print" authentication. The VoicelD system can also verify location compliance throughout the day via a series of automated outbound calls to the client at various approved locations, including work, appointments, school, or home. If at the location, the client calls VoicelD and performs a voice verification. Requiring only a phone to effectively monitor clients, officers do not have to manage any additional inventory, perform equipment installations, or recover lost equipment.

During enrollment in TotalAccess, officers guide clients to create a biometric voice print that is stored in VoicelD. The system verifies the client's voice during each check-in call. Notification calls from the system to the client are completed for both random and fixed schedules. Once the client receives the notification call, he or she must call VoicelD within a few minutes from an authorized phone number. Officers may configure both the notification and check-in phone numbers.

VoicelD automatically logs each successful and unsuccessful call event. If a client is late or checks-in when not scheduled, the system records the client's verbal explanation for the exception. Calls from unauthorized phone numbers are logged to allow for further investigation, if required. Unsuccessful and non-compliant call events can be configured to alert the officer by fax, email, or text message.

## A Voice Solution that Meets Your Needs

VoicelD offers effective community-based supervision of any caseload. The system is highly customizable, which allows officers to tailor supervision and establish a monitoring intensity level appropriate for any client. Managing clients is easy and straightforward as VoicelD is fully integrated in TotalAccess.



**Call 800.701.5171 today to schedule a product demo.**





# BI SL3<sup>®</sup>

## DRIVE COMPLIANCE AND ACCOUNTABILITY IN THE COMMUNITY

The BI SL3<sup>®</sup> mobile breathalyzer provides accurate and reliable testing through an enhanced tamper-resistant design and LTE technology. With GSM and CDMA network technology becoming obsolete in the next few years, BI developed the SL3 to meet agencies' future needs. This portable, handheld breathalyzer allows individuals to discreetly submit Breath Alcohol Content (BrAC) tests from any location with cellular service.

This cost-effective alcohol monitoring device measures BrAC by collecting deep lung breath samples and transmits breath test results to BI TotalAccess<sup>®</sup> via a cellular connection. Each test report includes a high-resolution client photo, BrAC reading, and GPS location with time and date stamp to ensure accuracy. In the absence of a cell signal, the SL3 stores the results and sends them when the device reenters cell range.

## LONG-TERM SOLUTION WITH LTE TECHNOLOGY

SL3 is the first alcohol detection device with Long-term Evolution Technology (LTE). The LTE modem extends product functionality to at least 2027, saves on power consumption, and extends the in-building range, which boosts the device effectiveness and minimizes service interruption.

## BIOMETRIC FACIAL COMPARISON

Embedded with a high-resolution camera, the SL3 takes a photo with each breath test and uses biometric facial comparison technology to spatially analyze and compare to the client's stored images. The technology adapts to subtle client appearance changes with each photo taken to confirm client identity.

## SCHEDULED AND RANDOM TESTS

Scheduled or random remote breath testing allows officers to keep clients on notice for sobriety. Tests are scheduled in TotalAccess, and automatic text messages are sent to remind clients when an alcohol monitoring test is due. Clients must take tests within 45 minutes of receiving the message. Clients blow into the mouthpiece for four seconds, and a photo is taken during the test. A test report is compiled and sent to the monitoring computer approximately 60 seconds after the test is completed.

## DURABILITY AND RELIABILITY FOR MOBILE MONITORING

The SL3 includes a reinforced exterior case and silicone sleeve to increase durability and protect the device from damage. Enhanced internal security, tamper evident materials, and large fuel cell ensure the breathalyzer's accuracy and longer shelf life.

## KEY FEATURES

- Size: 1.4 x 2.9 x 5 inches
- Weight: 8.7 ounces
- LTE Cat M1 modem
- Real-time test results with GPS points
- Photo identity confirmation
- Large, 16 mm fuel cell for added accuracy and life
- Membrane switches rated over a million cycles
- Reinforced outer casing
- Protective silicone sleeve
- Enhanced tamper evident materials
- Cellular data transmission and storage
- Calibration every 1500 tests
- Stores 70 tests
- Over-the-air updates
- Automated retesting
- Court admissible
- Rechargeable battery with 72-hours battery life
- Sensor accuracy within .005 BrAC

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# BI TAD<sup>®</sup>

## Transdermal Alcohol Detector

### CONTINUOUS ALCOHOL MONITORING + RELIABLE CURFEW MONITORING

BI TAD<sup>®</sup>, the Transdermal Alcohol Detector, is the industry's first device to conveniently offer agencies, DUI/DWI courts, and treatment providers with continuous alcohol and radio frequency monitoring, in a single transmitter. Trusted and court-validated, BI TAD senses alcohol through the skin, allowing judges and community corrections officers to effectively monitor sobriety and curfews of high-risk, DUI, and alcohol offenders.

### ADVANCED TECHNOLOGY, YET SO SIMPLE TO USE

Using transdermal technology, TAD is an ankle-worn device that senses alcohol through the skin. It detects and reports alcohol events over a 0.020 transdermal alcohol concentration (TAC) threshold. Installed in the client's home, BI HomeBase collects alcohol events and reports them to the central monitoring computer.

To detect a potential drinking event, the alcohol detection module on the back of the device monitors moisture and vapor excreted from the client's skin for alcohol. If a client exceeds the 0.020 TAC threshold, an alcohol event will be recorded and transmitted to the central monitoring computer when within 50 feet of the HomeBase.

### SIMULTANEOUS CURFEW MONITORING

By combining alcohol and radio frequency monitoring in one easy-to-use device, agencies are able to effectively manage offenders and reduce equipment inventory. TAD can monitor the presence or absence of a client in the home, and if a violation is detected, an alert is generated, and the supervising agency or officer is notified.

### COURT VALIDATED – NO BACKUP TESTING NEEDED

TAD uses a proprietary algorithm that provides a baseline for each individual wearing the device to enhance testing accuracy. Results generated by TAD stand on their own – no secondary or backup testing is needed. TAD has single source admissibility for court and revocation hearings and meets the Daubert standard of scientific evidence admissibility.

### KEY FEATURES

#### BI TAD

- Size: 2.7 x 3.4 x 2 inches
- Weight: 8 ounces
- 24/7 transdermal alcohol detection
- Built-in radio frequency monitoring
- Calibration every 6-months
- Multiple tamper-resistant features
- Water resistant
- No client testing needed

#### BI HomeBase

- Variable range for curfew monitoring – 35, 75, or 150 feet
- 48-hour backup battery
- 90,000 message buffer
- Landline and cellular models available
- Multiple alert notification methods
- Hello calls logged with every download (4-hour default)

**Call 800.701.5171 today to schedule a product demo.**



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# BI Agency Assist<sup>®</sup>

Expanding Resources ■ Enhancing Efficiency

BI Agency Assist<sup>®</sup> support services and 24x7 support center can increase agency coverage and help reduce and manage the large amount of data officers receive. These administrative, technical, and data management services are configurable based on agency needs and our bilingual support center team can relieve officers of up to 50% of their clerical or data processing workload, allowing them to spend more time with clients.

## CONTACT DOCUMENTATION SERVICE

Contact Documentation is a paperless, convenient data entry service for officers to dictate and record case notes while in the field. Our highly trained support specialists transcribe officer's first-hand account in real-time, thus increasing an officer's ability to quickly and efficiently manage cases. Support specialists also record mandated supervision requirements such as substance abuse treatment, counseling sessions, and more.

## SCHEDULING SERVICE

The Scheduling service is a high-touch solution that reinforces compliance. BI support specialists take client calls to verify, schedule, or amend appointments as well as make outbound calls to verify schedule requests and obtain documents regarding a client's allowed movement. Officers approve or deny individual requests by phone or through BI TotalAccess. Officers can also supply pre-approved client movement information, allowing specialists to approve certain client requests on the officer's behalf.

## ENHANCED MONITORING SERVICE

Live support specialists provide Enhanced Monitoring services by conducting initial outbound calls on EM alerts to resolve alerts prior to dispatching information to the officer. Initial calls are made to troubleshoot equipment issues or to locate a missing monitored individual. If unsuccessful, the alert is escalated to the supervising officer for additional action. BI Agency Assist support specialists handle more than 550,000 EM violation alerts a month.

## CLIENT DOCS SERVICE

Reduce time spent on paperwork and streamline the record-keeping process. With Client Docs, officers and support specialists can upload important documents and photos, such as pay stubs, court documents, work/school schedules, pictures, and records directly to a client's case file in TotalAccess. All docs are stored in TotalAccess to safeguard data and to allow officers to manage files in a single location.

## AUTOMATED SELF-REPORTING SERVICE

Our Automated Self-Reporting service helps agencies save time by streamlining check-ins through an automated system. By utilizing Interactive Voice Response (IVR) technology, clients call the system as required to check-in. The system verifies each caller through a series of questions. If there are changes or exceptions to the expected responses, the caller is promptly routed to a live support specialist to provide updated information.

## KEY FEATURES

- Five configurable services
- 24x7 live support specialists
- Real-time updates available in BI TotalAccess<sup>®</sup>
- Centralized data for seamless case management
- Client management services include profile, fingerprint and name matches, hold and page, supervision level assessments

## FIVE TIME-SAVING SERVICES

### Contact Documentation Service

- Transcribe case notes in real-time
- Document all client contact
- Update and verify client contact information
- Track mandated supervision requirements

### Scheduling Service

- Schedule, track, and verify client appointments
- Process schedule change requests
- Record valid supporting documentation

### Enhanced Monitoring Service

- Handle alerts and escalation to reduce alert flow
- Real-time officer notification
- Troubleshoot equipment

### Client Docs Service

- Upload and manage files in a single location
- Reduce time spent on paperwork
- Streamline record-keeping process

### Automated Self-Reporting Service

- IVR technology to automate client check-ins
- Real-time officer notification
- Officer and client messaging capability



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# BI TotalAccess®

## THE COMPLETE MONITORING SOFTWARE SOLUTION

BI TotalAccess® is a secure, web-based software that provides agencies with quality case management tools 24x7. A dynamic mobile app, configurable case management tools, and predictive analysis make TotalAccess the premiere electronic monitoring software in the industry. Whether you are on a desktop or mobile device, one login grants you instant visibility and management of all BI products—all to place you in control of client monitoring.

## MOBILE APP

For officers on the go, the TotalAccess Mobile app allows you to manage your caseload and resolve issues, even when you are away from your computer. Simply download the free BI TotalAccess Mobile app onto your smartphone and begin supervising your caseload from anywhere. Features include streamlined alert-management, complete schedule management, client mapping and playback, technology changes, video conferencing and in-app messaging, field visits, push notifications, self-pay management, and more.

## TIME-SAVING ADMINISTRATIVE SERVICES

BI Agency Assist® is a scalable service package that includes administrative, technical, and data management support services to relieve officers of time-sensitive administrative tasks so they can shift their focus to high-risk clients. Call center specialists are available 24x7 to handle violation alerts, check-ins, scheduling, field notes, self-pay management, and more.

## ADVANCED MAPPING CAPABILITIES

TotalAccess provides officers access to Google Maps®, a mapping service to help build zones, review client movements, and simultaneously view multiple client's points in one place. Google Maps displays road, aerial, and bird's eye views of GPS points in 2D and 3D. The software also utilizes Dun & Bradstreet to keep public places of interest up to date.

## COMPREHENSIVE REPORTING

User-friendly reports are available to review client activity, alert summaries, caseload statistics, inventory status, and more. Reports can be delivered daily, weekly, or monthly to a designated email as a Word, Excel, or PDF document.

**Call 800.701.5171 today to schedule a product demo.**

## KEY FEATURES

### ACCESSIBILITY

- Internet accessible 24x7
- Easy-to-use desktop and mobile app interfaces
- Secure login from www.bi.com
- No third-party software or plug-ins required

### ESSENTIAL FUNCTIONALITY

- Enroll and inactivate clients securely and easily
- Manage client profiles, schedules, and alerts from anywhere
- View, enter, and modify data including zones, schedules, and client demographics
- Enter violation procedures
- Customize violation notifications
- Pair alerts

### CONFIGURABLE SOLUTIONS

- BI Agency Assist®
  - Contact documentation
  - Scheduling
  - Enhanced monitoring
  - Client docs
  - Automated self-reporting

### BI ANALYTICS® SUITE

- Advanced statistical tool that incorporates client behavior to calculate potential risk
- Prioritize highest-risk clients and make informed decisions
- Easy-to-view dashboard and reports for instant insight
- Identify travel patterns, including absconding



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# BI TotalAccess® Mobile

## ACCESS YOUR CASELOAD FROM THE PALM OF YOUR HAND

For officers on the go, the BI TotalAccess® Mobile app allows you to manage your caseload and resolve issues, even when you are away from your computer. Simply download the free BI TotalAccess Mobile app onto your smartphone, and begin supervising your caseload from anywhere.

## TAKE ACTION WITH A SINGLE TAP

Developed based on customer needs and feedback, this dynamic officer app puts the functionality of TotalAccess on your smartphone.

## ADVANCED MAPPING CAPABILITIES

TotalAccess provides officers access to Google Maps® to help build zones and review client movements. Google Maps displays road, aerial, and bird's eye views of GPS points in 2D and 3D. The app also features an automatic day/night mode.

## THE COMPLETE MONITORING SOFTWARE SOLUTION

BI TotalAccess is a secure, web-based software that provides agencies with quality case management tools 24/7. Whether you are on a desktop or mobile device, one login grants you instant visibility and management of all BI products—all to place you in control of client monitoring.

**Call 800.701.5171 today to schedule a product demo.**

## MOBILE APP KEY FEATURES

- Manage alerts and generate violations
- Approve or deny client schedule requests with a single tap
- View/edit client profiles, schedules, and case notes
- See a client's GPS points, location history, and custom zones
- Easily access client documents
- Securely conduct video conferences and send messages to clients
- Tamper reset functions, field visits, self-pay management, and more



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# BI SmartLINK®

## A MOBILE TOOL FOR A MOBILE WORLD

The BI SmartLINK® mobile monitoring app provides a secure platform for modern day communication anytime, anywhere. Officers and clients can securely conduct mobile-to-mobile video conferences and send messages, making remote case management a reality. Mobile communication is immediate, convenient, and time-saving for both officers and clients.

## SMARTLINK FUNCTIONALITY

**MY INFO** Clients view information and submit changes for officer approval, including address, phone number, email, employment, personal contacts, and community referral assignments

**MESSAGES** Officers and clients can directly message each other, and officers can send a message to multiple clients at once; messages are stored in BI TotalAccess® with a date and time stamp

**MY DOCUMENTS** Clients can view documents uploaded by their officer and submit photos and documentation for officer review in TotalAccess

**VIDEO CONFERENCE** Enhances officer/client communication while reducing the need for office visits; officers can conduct scheduled or on-demand video conferences with up to 10 people; date and time stamp are stored in TotalAccess

**RESOURCES** Equips clients with agency-approved service providers for housing, medical, employment, and other essential services, and access to a dedicated call center

**CALENDAR** Pushes officer-created events and reminders to clients for upcoming appointments such as court dates, meetings, and counseling; officers can link biometric check-ins to calendar events to verify attendance at required activities

**CLIENT-SUBMITTED SCHEDULES** Clients submit their own schedules for officer approval

**SELF REPORT** Clients answer a series of questions (configurable by agency and client levels); optional biometric check-in available

**BIOMETRIC CHECK-IN** Biometric facial comparison technology confirms client identity through fixed or randomly scheduled check-ins; enables officers to confirm location, curfew, and travel restriction compliance

## KEY BENEFITS AND FEATURES

- Mobile reporting and communication platform to help increase accountability
- Tiered program options — select based on client risk and needs
- Saves time with fewer face-to-face meetings and phone calls
- Records confirmation of client activities and location compliance
- Provides reminders and tracks client acknowledgement of supervision tasks
- Confirms client attendance at mandated appointments
- Clients submit information and schedules electronically, reducing time spent on administrative work
- Enhances officer/client communication with secure in-app messaging and video conferencing
- Ask about our secure device, BI Mobile™, with additional location tracking capabilities

**Call 800.701.5171 today to schedule a free product demo and learn about available program options.**



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# BI Mobile™

## CONNECTING OFFICERS AND CLIENTS FOR INCREASED COMPLIANCE

Today, communication is largely digital, and BI is at the forefront of adjusting the way electronic monitoring services are provided. Remote case management and mobile monitoring apps like BI SmartLINK® are in demand. BI Mobile™ alleviates challenges agencies and clients, such as sex offender, work release, indigent, and homeless populations, may face related to access to a smartphone. BI is the first and only provider to offer a mobile device that runs on a proprietary operating system to provide a high level of device security.

## CUSTOM OPERATING SYSTEM

BI Mobile runs on a standalone operating system, developed in-house by BI software engineers. Unlike Mobile Device Management (MDM) software that is reliant on iOS or Android and simply blocks or restricts functionality, BI Mobile removes functionality completely, preventing clients from disabling the software or installing third-party applications.

## ABILITY TO CONTROL DEVICE ACTIVITY

Pre-installed with SmartLINK only, BI Mobile eliminates the client's ability to browse the internet, make unauthorized phone calls, access app stores, or manipulate the phone settings. Unlike smartphones with MDM software that simply block or restrict the client's use of the device, BI Mobile limits client access to traditional smartphone functionality yet have the ability and convenience to message and communicate with authorized agency personnel through SmartLINK.

## ELIMINATES THE RISK OF GPS SPOOFING

Many apps on Google Play and Apple stores allow clients to potentially tamper with or "spoof" GPS location collection or install foreign GPS programs manually, even on MDM systems. With BI Mobile, there is no need for an app store, therefore eliminating this risk.

## HASSLE-FREE SETUP AND CLIENT INTERACTION

BI Mobile is pre-installed with SmartLINK, so agency set up is simple. Officers log into BI TotalAccess®, assign the device to a client, and power on the unit. Clients can easily comply with supervision terms without the hassle of app stores and traditional smartphone functionality and updates.

## INCREASED BATTERY LIFE

Android or iOS devices can run out of battery life quickly. BI Mobile has no other applications or functionality besides SmartLINK, which significantly increases battery life compared to an MDM device with other apps constantly running in the background.

## KEY FEATURES

- Size: 6.3" H x 3.0" W x 0.34" D
- Weight (with battery): 4.9 oz
- LCD screen size: 6.0"
- Up to 100 hours battery life on a single charge
- Standby battery time: approximately 200 hours
- Network connectivity: LTE, WCDM, GSM
- Bluetooth and Wi-Fi enabled
- Fingerprint recognition sign-in
- Location tracking
- Multiple location technologies
- Build and assign inclusion and exclusion zones

**Call 800.701.5171 today to schedule a product demo.**



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# BI Analytics<sup>®</sup> Suite

## MAKE YOUR DATA WORK FOR YOU

For corrections agencies, making critical supervision decisions every day is just part of the job. BI is dedicated to providing you with data that works for you. Using advanced statistical software, the BI Analytics<sup>®</sup> Suite incorporates client behavior and calculates potential risk, offering officers and managers convenient tools to quickly identify and address issues. The Suite includes two distinct modules accessible via BI TotalAccess<sup>®</sup>.

## MANAGE YOUR HIGHEST-RISK OFFENDERS

Using information from TotalAccess, the user-friendly Activity Awareness Analytics (AAA) Dashboard enables officers to manage alerts ranked in priority order by highest risk, and take appropriate action to address potential problems before they happen. Risk is assessed based on live and historical data over a 30-day period. The risk scores are displayed in three key categories: Equipment, Behavior, and Travel.

## REVEAL CLIENTS "FLYING UNDER THE RADAR"

Included in the Priority module are multiple Alert Analyses that identify and prioritize clients with a high number of alerts, enabling officers to reevaluate risk and supervision intensity. Through a snapshot of anomalies and outliers, officers are equipped with data to take action, enhance community safety, and reduce agency liability.

## IDENTIFY TRAVEL PATTERNS, INCLUDING ABSCONDING

Using geographic and spatial data to assess the motion and location of clients on electronic monitoring equipment, agencies can analyze behavior and travel patterns with the Absconder Analysis to provide potential leads when a client absconds. Based on the data, the tool pinpoints locations of family, friends, employers, and other locations and the amount of time spent at each location.

## DETECT RISK LOCATIONS

The Enhanced Stop Analysis enables officers to identify potential risk based on suspicious client behavior and location stops. The system continues to "learn" over time, and by aggregating data, trends emerge to pinpoint client behavior. With this analysis, officers can view data on stop addresses, time duration at the location, client and non-client risk locations, and the history of behavior in proximity to these risk locations.

## KEY FEATURES

### PRIORITY MODULE

- Aggregates data to prioritize risk
- Monitors equipment, behavior, and travel
- At-a-glance dashboard to help officers quickly identify caseload risk levels
- Surface historical trends and anomalies in client behavior

### PROXIMITY MODULE

- Uses geographic and spatial location data
- Details a client's proximity to areas of interest and enables officers to easily create custom risk-based zones
- Identifies travel patterns including absconding and suspicious stop activity
- Detects risk locations and continues to "learn" over time



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## Appendix F—Client Guides

Immediately following this page, please find a sample of BI *Client Guides* in English and Spanish versions.

- BI LOC8 XT
- HomeGuard 20|20
- SL3
- TAD

## Appendix G—OMNIA Partners Marketing Handout

Immediately following this page, please find an example of the BI created ONNIA Partners marketing handout that our nation-wide sales force is equipped with.



## Save Time & Reduce the Cost of Procurement

BI Incorporated is proud to have been awarded the Offender Monitoring Services contract available through OMNIA Partners, Public Sector. Through this national cooperative contract, BI offers participants of OMNIA Partners a broad portfolio of electronic monitoring solutions at some of the industry's most competitive prices. Plus, participating agencies save valuable time and effort by skipping the lengthy RFP process.

With more than 40 years serving the public sector, BI Incorporated offers a full continuum of monitoring technologies and related supervision services for parolees, probationers, and pretrial defendants. Our innovative products and services assist more than 1,400 agencies.

### ABOUT OMNIA PARTNERS

OMNIA Partners, Public Sector is the nation's largest and most experienced cooperative purchasing organization dedicated to public sector procurement. OMNIA's immense purchasing power and world-class suppliers have produced a comprehensive portfolio of cooperative contracts and partnerships, making OMNIA Partners a valued and trusted resource for purchasing agencies nationwide.

### WHAT IS A PURCHASING COOPERATIVE?

A "purchasing cooperative" is a type of cooperative arrangement, often among businesses or government agencies, to agree to aggregate demand to get lower prices from selected suppliers. It is often used by local and state government agencies to reduce the cost and effort of procurement.

### CONTRACT SERVICES

Our products include a wide range of electronic monitoring systems, enabling agencies to apply the least restrictive or appropriate option to support compliance to conditions of release.

- Global Positioning Satellite (GPS) technology to enhance compliance
- Court admissible, transdermal and breath alcohol monitoring devices to test sobriety
- Radio frequency solutions, ideal for monitoring compliance to curfews and defined locations
- Mobile app and web-based software solutions designed to enhance supervision
- Equipment-free, automated voice verification system to effectively monitor individuals using biometric voiceprints
- An array of monitoring services, administrative support, and data management to meet each agency's unique needs and budgets

### BENEFITS OF COOPERATIVE CONTRACTS

- Cooperatives utilize Public Sector compliant bidding processes that meet the procurement standard, thus saving you time and resources by skipping the RFP process
- Reduces the costs of goods and services by leveraging the power of public agencies
- Strategic value and significant time efficiencies related to contract development
- Access to the combined knowledge of all its members

### SKIP THE RFP PROCESS, AND RECEIVE THE LOWEST RATE ON BI PRODUCTS

- BI LOC8® XT
- BI SL3®
- BI HomeGuard® 20|20
- BI SmartLINK®
- BI Agency Assist®
- And more!

**To learn more, contact your BI Partnership Development Director today.**



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## Appendix H—Sample Reports

Immediately following this page, please find examples of all BI TotalAccess reports.

# Offender Monitoring Solutions

submitted to the City of Mesa, Arizona

RFP No. 2022118

VOLUME II: FINANCIAL INFORMATION



INNOVATIVE • SINGLE-SOURCE • PROVEN

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## Dunn & Bradstreet Report

Immediately following this page, please find BI's Dunn & Bradstreet Report.

## Financial Statement

Immediately following this page, please find BI's audited financial statement.



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2021

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: 1-14260

**The GEO Group, Inc.**

(Exact name of registrant as specified in its charter)

**Florida**

(State or other jurisdiction of  
incorporation or organization)

**4955 Technology Way  
Boca Raton, Florida**

(Address of principal executive offices)

**65-0043078**

(I.R.S. Employer  
Identification No.)

**33431**

(Zip Code)

Registrant's telephone number, including area code: (561) 893-0101

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value	GEO	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the 82,797,317 voting and non-voting shares of common stock held by non-affiliates of the registrant as of June 30, 2021 (based on the last reported sales price of such stock on the New York Stock Exchange on such date, the last business day of the registrant's quarter ended June 30, 2021 of \$7.12 per share) was approximately \$0.6 billion.

As of February 22, 2022, the registrant had 122,517,627 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Certain portions of the registrant's definitive proxy statement pursuant to Regulation 14A of the Securities Exchange Act of 1934 for its 2022 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission within 120 days after the end of the year covered by this report, are incorporated by reference into Part III of this report.

Auditor Firm Id: 248

Auditor Name: Grant Thornton LLP

Auditor Location: Miami, Florida, United States of America

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## PART I

### Item 1. Business

*As used in this report, the terms "we," "us," "our," "GEO" and the "Company" refer to The GEO Group, Inc., its consolidated subsidiaries and its unconsolidated affiliates, unless otherwise expressly stated or the context otherwise requires.*

#### General

We specialize in the ownership, leasing and management of secure facilities, processing centers and reentry facilities and the provision of community-based services in the United States, Australia and South Africa. We own, lease and operate a broad range of secure facilities including maximum, medium and minimum-security facilities, processing centers, as well as community-based reentry facilities. We develop new facilities based on contract awards, using our project development expertise and experience to design, construct and finance what we believe are state-of-the-art facilities. We provide innovative technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based programs. We also provide secure transportation services domestically and in the United Kingdom through our joint venture GEOAmeY PECS Ltd. ("GEOAmeY"). As of December 31, 2021, our worldwide operations included the management and/or ownership of approximately 86,000 beds at 106 secure and community-based facilities, including idle facilities, and also includes the provision of reentry and electronic monitoring and supervision services for more than 250,000 individuals, including over 150,000 individuals through an array of technology products including radio frequency, GPS, and alcohol monitoring devices.

We provide a diversified scope of services on behalf of our government agency partners:

- our secure facility management services involve the provision of security, administrative, rehabilitation, education, and food services at secure services facilities;
- our reentry services involve supervision of individuals in community-based programs and reentry centers and the provision of temporary housing, programming, employment assistance and other services with the intention of the successful reintegration of residents into the community;
- we provide comprehensive electronic monitoring and supervision services;
- we develop new facilities, using our project development experience to design, construct and finance what we believe are state-of-the-art facilities;
- we provide secure transportation services; and
- our services are provided at facilities which we either own, lease or are owned by government.

GEO operated as a real estate investment trust ("REIT") from January 1, 2013 through December 31, 2020. As a REIT, GEO provided services and conducted other business activities through taxable REIT subsidiaries ("TRSs"). A TRS is a subsidiary of a REIT that is subject to applicable corporate income tax rates and certain qualification requirements. GEO's use of TRSs permitted us to engage in certain business activities in which the REIT could not engage directly, so long as those activities were conducted in entities that elected to be treated as TRSs under the Internal Revenue Code of 1986, as amended, and enabled GEO to, among other things, provide correctional services at facilities it owns and at facilities owned by its government partners. A TRS is not subject to the distribution requirements applicable to REITs so it may retain income generated by its operations for reinvestment.

On December 2, 2021, we announced that our Board of Directors ("Board") unanimously approved a plan to terminate GEO's REIT election and become a taxable C Corporation, effective for the year ended December 31, 2021. As a result, we are no longer required to operate under REIT rules, including the requirement to distribute at least 90% of REIT taxable income to our stockholders, which provides us with greater flexibility to use our free cash flow. Effective January 1, 2021, we are subject to federal and state income taxes on our taxable income at applicable tax rates and we are no longer entitled to a tax deduction for dividends paid. GEO operated as a REIT for the 2020 tax year, and existing REIT requirements and limitations, including those established by GEO's organizational documents, remained in place until December 31, 2020. The Board also voted unanimously to discontinue our quarterly dividend payment and prioritize allocating GEO's free cash flow to reduce debt.

As a result of GEO's Board announcing the change in corporate structure to a taxable C Corporation in fiscal year 2021, we incurred a one-time, non-cash deferred tax charge of approximately \$70.8 million during the fourth quarter. We also incurred approximately \$29.3 million in incremental income tax expense in the fourth quarter of 2021 due to the resulting higher corporate tax rate for all of 2021, including a catch-up tax expense of approximately \$16.8 million in connection with the first three quarters of 2021. Refer to Note 16 – Income Taxes of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K

## **Business Segments**

We conduct our business through four reportable business segments: our U.S. Secure Services segment; our Electronic Monitoring and Supervision Services segment; our Reentry Services segment and our International Services segment. We have identified these four reportable segments to reflect our current view that we operate four distinct business lines, each of which constitutes a material part of our overall business. We have determined that our previously reportable business segment, Facility Construction and Design, no longer qualifies as a reportable segment as it no longer meets certain quantitative thresholds and has been aggregated with our International Services reportable business segment below. In addition, we appointed a new Chief Executive Officer, the chief operating decision maker, during fiscal 2021. Based on changes to the way our chief operating decision maker views the business and financial results used to allocate resources to our electronic monitoring & supervision services operations, along with the growth of the business, we will report the electronic monitoring and supervision services operation as a separate reportable segment. This new segment will be presented as Electronic Monitoring and Supervision Services. Previously, the electronic monitoring and supervision services operations were included in our GEO Care reportable segment. In addition, the GEO Care reportable segment was renamed Reentry Services and will include services provided to adults for residential and non-residential treatment, educational and community-based programs, pre-release and half-way house programs. We have retroactively restated our segment presentation for the years ended December 31, 2021, 2020 and 2019 to reflect these changes.

Our U.S. Secure Services segment primarily encompasses our U.S.-based public-private partnership secure services business. Our Electronic Monitoring and Supervision Services segment, which conducts its services in the U.S., consists of our electronic monitoring and supervision services. Our Reentry Services segment consists of various community-based and reentry services. Our International Services segment primarily consists of our public-private partnership secure services operations in Australia and South Africa. Financial information about these segments for years 2021, 2020 and 2019 is contained in Note 15 — Business Segments and Geographic Information included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

## **Recent Developments**

### ***COVID-19***

We have been closely monitoring the impact of the COVID-19 pandemic on all aspects of our business and geographies, including how it has impacted those entrusted in our care and governmental partners. During the year ended December 31, 2021, we did incur disruptions from the COVID-19 pandemic but are unable to predict the overall future impact that the COVID-19 pandemic will have on our financial condition, results of operations and cash flows due to numerous uncertainties related to the pandemic. Refer to further discussion regarding the economic impacts of COVID-19 to our operations in the Outlook section included in Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations.

### ***CEO Succession Plan***

On June 1, 2021, we announced that our Board had determined that it was in the best interests of the Company to implement a succession plan for the Chief Executive Officer position given that our Founder, Chairman and Chief Executive Officer, George C. Zoley, was 71 years old and has served with the Company for approximately forty years. The primary objectives of the Board in initiating a succession plan were to secure Mr. Zoley’s services on a long-term basis to ensure a proper senior management transition, and to retain a new Chief Executive Officer that would succeed Mr. Zoley in that role. This change will allow Mr. Zoley the ability to focus on planning of the Company’s future.

On May 27, 2021, the Board terminated without cause Mr. Zoley’s existing employment agreement, effective as of June 30, 2021, and entered into a new five-year employment agreement with Mr. Zoley as Executive Chairman, in a modified role and at reduced compensation effective July 1, 2021. The new employment agreement with Mr. Zoley will secure Mr. Zoley’s continuous employment, enabling the Company to continue to benefit from Mr. Zoley’s extensive knowledge and experience, and providing for an orderly transition of senior management.

In connection with Mr. Zoley’s termination, GEO and Mr. Zoley entered into a Separation and General Release Agreement as of May 27, 2021 (the “Separation Agreement”). Pursuant to the terms of the Separation Agreement, Mr. Zoley continued to serve as Chief Executive Officer of the Company through June 30, 2021 (the “Separation Date”) and received all accrued wages through the Separation Date. Additionally, pursuant to the terms of Mr. Zoley’s prior employment agreement, Mr. Zoley received payments in the amount of \$5,851,555, less any applicable taxes and withholdings, which represented the sum of two (2) years of Mr. Zoley’s base annualized salary and two (2) times Mr. Zoley’s target bonus at that time under GEO’s Senior Management Performance Award Plan. Mr. Zoley’s restricted stock subject to performance-based vesting at the Separation Date shall vest at such time as the performance goals are met if Mr. Zoley is still providing services to GEO under the Executive Chairman Agreement described below. Mr. Zoley received payments of \$579,600 for all accrued dividends on his unvested shares of restricted stock. Lastly, Mr. Zoley is entitled to receive certain fringe benefits for a ten (10) year period as set forth in the Separation Agreement, including payment of health insurance premiums under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”) for eighteen (18) months and reimbursement of the cost of health insurance coverage for eight and a half (8½) years following the first eighteen (18) months, life insurance, the use of an executive automobile, and personal use of the Company leased

aircraft for thirty (30) hours per year. In the event of Mr. Zoley's death within such ten (10) year period, we will continue to provide the fringe benefits to Mr. Zoley's covered dependents and heirs, and, if applicable to Mr. Zoley's estate.

In order to transition the role of Chief Executive Officer to a successor in an orderly manner, our Board determined it was in the best interests of GEO to create a new officer position for the role of Executive Chairman and appointed Mr. Zoley as Executive Chairman, effective as of July 1, 2021. As a result, GEO and Mr. Zoley on May 27, 2021 entered into an Executive Chairman Employment Agreement effective as of July 1, 2021 (the "Executive Chairman Agreement"). Pursuant to the terms of the Executive Chairman Agreement, Mr. Zoley will serve as Executive Chairman assisting the new Chief Executive Officer in his transition, among other duties and responsibilities, and report directly to the Board of Directors for a term of five years ending on June 30, 2026 and subject to automatic renewals for one-year periods unless either the Company or Mr. Zoley gives written notice at least 1 year prior to the expiration of the term. Under the terms of the Executive Chairman Agreement, Mr. Zoley will be paid an annual base salary of \$1.0 million and will be eligible to receive target annual performance awards equal to 100% of base salary in accordance with the terms of any plan governing senior management performance awards. Mr. Zoley will also be entitled to receive an annual equity incentive award with a grant date fair value equal to 100% of base salary and subject to a time-based vesting schedule of one (1) year from the date of grant. Additionally, GEO will credit Mr. Zoley's account balance under the Amended and Restated Executive Retirement Agreement on an annual basis in an amount equal to 100% of his base salary. Lastly, Mr. Zoley is entitled to participate in all benefits and perquisites available to executive officers of GEO.

The Executive Chairman Agreement provides that upon the termination of the Executive Chairman Agreement by the Company without cause, by Mr. Zoley for good reason or upon Mr. Zoley's death or disability, Mr. Zoley will be entitled to receive a termination payment equal to two times the sum of his annual base salary and the target bonus. In addition, the unvested portion of any equity award will fully vest and the Company will provide Mr. Zoley and any of his covered dependents and heirs with the executive benefits beginning on the date that they are no longer entitled to the fringe benefits (i.e. health insurance coverage, use of an executive automobile, etc.) under the Separation Agreement until the ten (10) year anniversary of the date of termination of the Executive Chairman Agreement.

Upon the termination of the Executive Chairman Agreement by GEO for cause or by Mr. Zoley without good reason, Mr. Zoley will be entitled to only the amount of compensation that is due through the effective date of the termination, including the retirement benefit due to him under his executive retirement agreement. The Executive Chairman Agreement contains restrictive covenants, including a non-competition covenant that runs through the three (3) year period following the termination of the executive's employment, and customary confidentiality and work product provisions.

#### ***Appointment of Jose Gordo as Successor Chief Executive Officer***

In connection with his appointment, Mr. Gordo and GEO entered into an Executive Employment Agreement (the "Employment Agreement") on May 27, 2021 to provide that Mr. Gordo will be employed by GEO for a three-year term beginning July 1, 2021. Unless the Employment Agreement is sooner terminated, or not renewed, it will automatically extend upon the end of its initial term for a rolling three-year term. Pursuant to the terms of the Employment Agreement, Mr. Gordo will serve as Chief Executive Officer and report directly to the Executive Chairman. Either Mr. Gordo or GEO may terminate Mr. Gordo's employment under the Employment Agreement for any reason upon not less than thirty (30) days written notice.

Under the terms of the Employment Agreement, Mr. Gordo will be paid an annual base salary of \$900,000, subject to the review and potential increase within the sole discretion of the Compensation Committee. Mr. Gordo will also be entitled to receive a target annual performance award of 85% of Mr. Gordo's base salary and will also be entitled to participate in our stock incentive plan and upon the effective date, GEO granted Mr. Gordo an award of 50,000 performance-shares that will vest ratably over a three-year period.

The Employment Agreement provides that upon the termination of the agreement by Mr. Gordo for good reason, by GEO without cause or upon the death or disability of Mr. Gordo, he will be entitled to receive a termination payment equal to two (2) times the sum of his annual base salary plus target bonus for the fiscal year in which his employment is terminated or, if greater, the target bonus for the fiscal year immediately prior to such termination. GEO will also continue to provide Mr. Gordo and any covered dependents with the Executive Benefits as defined in the Employment Agreement for a period of five (5) years after the date of termination. In the event of Mr. Gordo's death within such five (5) year period, GEO will continue to provide the Executive Benefits to Mr. Gordo's covered dependents, and, if applicable to Mr. Gordo's estate. In addition, the Employment Agreement provides that upon such termination, GEO will transfer all of its interest in any automobile used by the executive pursuant to its employee automobile policy and pay the balance of any outstanding loans or leases on such automobile so that the executive owns the automobile outright. In the event such automobile is leased, the Employment Agreement provides that GEO will pay the residual cost of the lease. In the event GEO does not pay the termination payment by the due date, then any unpaid amount shall bear interest at the rate of eighteen percent (18%) per annum, compounded monthly, until paid. Lastly, all of the outstanding and unvested stock options and restricted stock granted to Mr. Gordo prior to termination will fully vest immediately upon termination; provided, however that any restricted stock that is subject to performance-based vesting shall only vest when and to the extent the Compensation Committee certifies that the performance goals are actually met.

Upon the termination of the Employment Agreement by GEO for cause or by Mr. Gordo without good reason, Mr. Gordo will be entitled to only the amount of compensation that is due through the effective date of the termination. The Employment Agreement includes a non-competition covenant that runs through the three-year period following the termination of the executive's employment, and customary confidentiality and work product provisions.

### ***Amended and Restated Executive Retirement Agreement***

GEO and Mr. Zoley entered into on May 27, 2021, and effective as of July 1, 2021, an Amended and Restated Executive Retirement Agreement (the "Amended and Restated Executive Retirement Agreement"). Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that Mr. Zoley ceases to provide services to the Company, GEO will pay to Mr. Zoley an amount equal to \$3,600,000 which shall be paid in cash (the "Grandfathered Payment"). The payment shall be credited with interest at a rate of 5% compounded quarterly (the "Grandfathered Earnings Account"). Additionally, at the end of each calendar year provided that Mr. Zoley is still providing services to GEO pursuant to the Executive Chairman Agreement, GEO will credit an amount equal to \$1,000,000 at the end of each calendar year (the "Employment Contributions Account"). The Employment Contributions Account will be credited with interest at the rate of 5% compounded quarterly. Upon the date that Mr. Zoley ceases to provide services to the Company, GEO will pay Mr. Zoley in one lump sum cash payment each of the Grandfathered Payment, the Grandfathered Earnings Account and the Employment Contributions Account subject to the six-month delay provided in the Amended and Restated Executive Retirement Agreement. The balance of the Amended and Restated Executive Retirement Agreement was approximately \$5 million at December 31, 2021.

### ***Executive Order***

On January 26, 2021, President Biden signed an executive order directing the United States Attorney General not to renew Department of Justice ("DOJ") contracts with privately operated criminal detention facilities, as consistent with applicable law. Two agencies of the DOJ, the Federal Bureau of Prisons ("BOP") and the U.S. Marshals Service ("USMS"), utilize GEO's support services. The BOP houses inmates who have been convicted of federal crimes, and the USMS is generally responsible for detainees who are awaiting trial or sentencing in U.S. federal courts. As of December 31, 2021, GEO has one company-owned facility under direct contract with the BOP, which has a current contract option period that expires on September 30, 2022, and three company-owned/company-leased facilities under direct contracts with USMS, which have current contract option periods that expire between March 31, 2022 and September 30, 2023. These facilities combined represented approximately 8% of our revenues for the year ended December 31, 2021.

President Biden's administration may implement additional executive orders or directives relating to federal criminal justice policies and/or immigration policies, which may impact the federal government's use of public-private partnerships with respect to secure correctional and detention facilities and immigration processing centers, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including the BOP, USMS, and U.S. Immigration and Customs Enforcement, which is an agency of the U.S. Department of Homeland Security.

### ***Quarterly Dividends***

As discussed above, on December 2, 2021, GEO's Board unanimously approved a plan to terminate our REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. In connection with terminating GEO's REIT status, the Board also voted unanimously to discontinue our quarterly dividend payments and prioritize allocating GEO's free cash flow to reduce debt.

### ***Senior Credit Facility***

In 2021, we elected to draw down significant amounts in borrowings under the revolver component of our credit facility as a conservative precautionary step to preserve liquidity, maintain financial flexibility and obtain funds for general business purposes.

### ***Asset Divestiture***

On July 1, 2021, we completed a divestiture of our youth division, which was organized as a separate independent not-for-profit 501(c)(3) organization ("Abraxas"). The divestiture included the sale of certain non-real estate assets in GEO's Youth division for total consideration of \$10 million which was in the form of an unsecured term note receivable ("Term Note"). The Term Note was to mature July 1, 2026 and bore annual interest at 5%. Principal payments of \$250,000 were to be due annually each year starting July 1, 2022. After June 30, 2023, an additional payment would have been due equal to 50% of the excess cash flow (as defined in the Term Note) in excess of \$1,000,000. The remaining balance was due on the maturity date. Additionally, GEO had provided a \$4 million working capital line of credit ("Grid Note") which was to mature on December 31, 2022 and bore daily interest at prime minus 1%. Each loan under the Grid Note was payable upon the earlier of (i) on demand, (ii) thirty days from the funding date, or (iii) the maturity date. There were no amounts drawn on the Grid Note during 2021. The sale resulted in the assignment of GEO's youth services management contracts to Abraxas. We retained the ownership of the youth

services real estate assets and have entered into lease agreements with Abraxas for the six company-owned youth facilities. As a result of the transaction, we recorded a loss on asset divestiture of approximately \$4.5 million during the year ended December 31, 2021 inclusive of a working capital adjustment. On October 15, 2021, GEO signed a letter agreement with Abraxas and another unrelated not-for-profit entity for the settlement of the Term Note and termination of the Grid Note. In accordance with the letter agreement, Abraxas became affiliated with the other unrelated not-for-profit entity and paid GEO \$8 million in full settlement of the Term Note on December 31, 2021.

### ***Insurance***

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. (“Florina”), to enhance our risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers’ compensation, general liability, automobile liability, medical professional liability and directors and officers’ liability as well as procuring insurance policies for its directors’ and officers’ excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

### ***Contract Developments***

On November 1, 2021, we transitioned the operation of our company-owned 600-bed Guadalupe County Correctional Facility to the New Mexico Corrections Department and began a new lease agreement with the State of New Mexico, with a two-year base period and successive two-year renewals through October 2041.

In August 2021 and October 2021, we entered into 5-year contract renewals for our company-owned Broward Transitional Center and our company-owned Aurora ICE Processing Center, respectively.

Effective October 1, 2021, we entered into a six-month contract extension with the USMS for the 770-bed Western Region Detention Facility in California. The contract with the USMS was operating under a two-year option period which was scheduled to end on September 30, 2021.

On September 30, 2021, we announced that we had entered into a new five-year contract with Clearfield County, Pennsylvania to utilize our company-owned 1876-bed Moshannon Valley Facility in Decatur Township, Pennsylvania. Clearfield County is responsible for detainees under a five-year contract with ICE and expects to use the Moshannon Valley Facility to address its capacity needs.

In Delaware County, Pennsylvania, we received notice that the county intends to take over management of the managed-only George W. Hill Correctional Facility effective April 2022.

On August 18, 2021, we were notified by the BOP that it decided to not exercise the contract renewal option for our company-owned, 1,732-bed Big Springs and the company-owned 1,800-bed Flightline Correctional Facilities in Texas, when the contract base periods expired on November 30, 2021. The contracts for these facilities generated approximately \$68 million in combined annualized revenues.

On March 5, 2021, we were notified by the BOP that it decided to not exercise the contract renewal option for the company-owned, 1,940-bed Great Plains Correctional facility in Oklahoma, when the contract base period expired on May 31, 2021. The contract for the facility generated approximately \$35 million in annualized revenues.

On March 15, 2021, we announced that the USMS decided to not exercise the contract renewal option for our company-owned, 222-bed Queens Detention facility in New York, when the contract base period ended on March 31, 2021. The contract for the facility generated approximately \$19 million in annualized revenues.

On March 25, 2021, we were notified by the BOP that it decided to terminate the contract for the county-owned and managed, 1,800-bed Reeves County Detention Center I & II in Texas effective May 10, 2021, which was earlier than the contract base period was scheduled to expire on September 30, 2022. The contract for the facility generated approximately \$4 million in annualized revenues.

We were also not awarded the managed-only contracts for the Bay, Graceville and Moore Haven Correctional and Rehabilitation facilities in Florida during the recent re-bid solicitation process by the State of Florida. We subsequently filed a protest challenging the award of the contracts, and as a result of the protest, we were able to retain the management contract for the Moore Haven Correctional and Rehabilitation facility. Our contracts for the Bay and Graceville Correctional and Rehabilitation facilities have been transitioned to a different operator. The contracts for these two facilities generated approximately \$15 million and \$25 million in annualized revenues respectively.

### ***Idle Facilities***

In our Secure Services segment, we are currently marketing 9,812 vacant beds with a net book value of approximately \$256 million at seven of our idle facilities to potential customers. In our Reentry Services segment, we are currently marketing approximately 1,100 vacant beds with a net book value of approximately \$25 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2022 is estimated to be \$22.0 million, including depreciation expense of \$12.7 million. We currently do not have any firm commitments or agreements in place to activate these facilities but have ongoing contact with several potential customers. Historically, some facilities have been idle for multiple years before they received a new contract award. The per diem rates that we charge our clients often vary by contract across our portfolio. However, if the nine idle facilities in our Secure Services and Reentry Services segments were to be activated using our Secure Services and Reentry Services average per diem rate in 2021 (calculated as revenue divided by the number of mandays) and based on the average occupancy rate in our facilities for 2021, we would expect to receive annual incremental revenue of approximately \$290 million and an increase in annual earnings per share of approximately \$.30 to \$.35 per share based on our average operating margin. Refer to the discussion under ***Executive Order*** and ***Contract Developments*** above for discussion of recent developments.

### **Quality of Operations**

We operate each facility in accordance with our company-wide policies and procedures and with the standards and guidelines required under the relevant management contract. For many facilities, the standards and guidelines include those established by the American Correctional Association, (“ACA”). The ACA is an independent organization of corrections professionals, which establishes correctional facility standards and guidelines that are generally acknowledged as a benchmark by governmental agencies responsible for correctional facilities. Many of our contracts in the United States require us to seek and maintain ACA accreditation for our facilities. We have sought and received ACA accreditation and re-accreditation for all such facilities. We achieved a median re-accreditation score of 100% as of December 31, 2021. Approximately 80% of our 2021 U.S. Secure Services revenue was derived from ACA accredited facilities for the year ended December 31, 2021. We have also achieved and maintained accreditation by The Joint Commission at one of our secure service facilities. We have been successful in achieving and maintaining accreditation under the National Commission on Correctional Health Care (“NCCHC”) in a majority of the facilities that we currently operate. The NCCHC accreditation is a voluntary process which we have used to establish comprehensive health care policies and procedures to meet and adhere to the ACA standards. The NCCHC standards, in most cases, exceed ACA Health Care Standards and we have achieved this accreditation at 14 of our U.S. Secure Services facilities and at one reentry services location. Additionally, B.I. Incorporated (“BI”) has achieved a certification for ISO 9001:2008 for the design, production, installation and servicing of products and services produced by the electronic monitoring business units, including electronic home arrest and electronic monitoring technology products and monitoring services, installation services, and automated caseload management services.

### **Corporate Social Responsibility**

In September 2021, we issued our third Human Rights and Environmental, Social and Governance (“ESG”) report. The Human Rights and ESG report builds on the important milestone we achieved in 2013 when our Board adopted a Global Human Rights Policy by providing disclosures related to how we inform our employees of our commitment to respecting human rights; the criteria we use to assess human rights performance; and our contract compliance program, remedies to shortcomings in human rights performance, and independent verification of our performance by third party organizations. The Human Rights and ESG report also addresses criteria, based on recognized ESG reporting standards, related to the development of our employees; our efforts to advance environmental sustainability in the construction and operation of our facilities; and our adherence to ethical governance practices throughout our company. The report covers the year ended December 31, 2020 with supporting data from 2018-2020 where possible. The report showcases, among other items, our company wide awareness and training programs, our commitment to a safe and humane environment for everyone in our care, employee diversity, addressing recidivism through our GEO Continuum of Care, our engagement efforts with our stakeholders, oversight and contract compliance, conservation measures and enhanced environmental sustainability efforts.

The ESG report was prepared with reference to the GRI Standards related to General Disclosures, Economic Topics, Environmental Topics and Social Topics based on the Global Reporting Initiative, or GRI, issued by the Global Sustainability Standards Board and the UN Guiding Principles on Business and Human Rights. GRI is an international independent standards organization created to help business, government and other organizations understand and communicate how their operations affect issues of global importance, such as human rights, corruption and climate change. We have referenced the GRI Standards and the UN Guiding Principles on Business and Human Rights as we have recognized the need for a transparent and disciplined enterprise-wide approach. In our pursuit of this approach, we have begun with the following set of ongoing objectives:

- Provide greater transparency for our stakeholders and the general public with respect to our various efforts in all our facilities aimed at respecting human rights.
- Enhance our ability to flag potential issues in all areas of our operations and compress the time it takes to respond with corrective measures.



- Use widely accepted methodologies for evaluating performance and setting objectives for improvements in corporate governance, corporate social policy, environmental impact and energy conservation.

The ESG report may be accessed on our website under "Investors-Latest Reports-Latest ESG Report." The information included in the Human Rights and ESG report is not incorporated by reference into this Annual Report on Form 10-K.

## **Business Development Overview**

Our primary potential customers include: governmental agencies responsible for local, state and federal secure facilities in the United States; governmental agencies responsible for secure facilities in Australia and South Africa; federal, state and local government agencies in the United States responsible for reentry services for adult offenders; federal, state and local government agencies responsible for monitoring community-based parolees, probationers and pretrial defendants; and other foreign governmental agencies. We achieve organic growth through competitive bidding that begins with the issuance by a government agency of a request for proposal, or RFP. We primarily rely on the RFP process for organic growth in our U.S. and international secure services operations as well as in our reentry services and electronic monitoring and supervision services business.

For our facility management contracts, our state and local experience has been that a period of approximately 60 to 90 days is generally required from the issuance of a request for proposal to the submission of our response to the request for proposal; that between one and four months elapse between the submission of our response and the agency's award of a contract; and that between one and four months elapse between the award of a contract and the commencement of facility construction or management of the facility, as applicable.

For our facility management contracts, our federal experience has been that a period of approximately 60 to 90 days is generally required from the issuance of a request for proposal to the submission of our response to the request for proposal; that between 12 and 18 months elapse between the submission of our response and the agency's award of a contract; and that between four and 18 weeks elapse between the award of a contract and the commencement of facility construction or management of the facility, as applicable.

If the local, state or federal facility for which an award has been made must be constructed, our experience is that construction usually takes between nine and 24 months to complete, depending on the size and complexity of the project. Therefore, management of a newly constructed facility typically commences between 10 and 28 months after the governmental agency's award.

For the services provided by BI, local, state and federal experience has been that a period of approximately 30 to 90 days is generally required from the issuance of an RFP or Invitation to Bid, or ITB, to the submission of our response; that between one and three months elapse between the submission of our response and the agency's award of a contract; and that between one and three months elapse between the award of a contract and the commencement of a program or the implementation of program operations, as applicable.

The term of our local, state and federal contracts range from one to five years and some contracts include provisions for optional renewal terms beyond the initial contract term. Contracts can, and are periodically, extended beyond the initial contract term and optional renewal terms through alternative procurement processes including sole source justification processes, cooperative procurement vehicles and agency decisions to add extension time periods.

We believe that our long operating history and reputation have earned us credibility with both existing and prospective customers when bidding on new facility management contracts or when renewing existing contracts.

We also plan to leverage our experience and scale of service offerings to expand the range of public-private partnership services that we provide. We have engaged and intend in the future to engage independent consultants to assist us in developing public-private partnership opportunities and in responding to requests for proposals, monitoring the legislative and business climate, and maintaining relationships with existing customers.

## **Facility Design, Construction and Finance**

We offer governmental agencies consultation and management services relating to the design and construction of new secure facilities and the redesign and renovation of older facilities including facilities we own, lease or manage as well as facilities we do not own, lease or manage. Domestically, as of December 31, 2021, we have provided services for the design and construction of approximately 58 facilities and for the redesign, renovation and expansion of approximately 80 facilities. Internationally, as of December 31, 2021, we have provided services for the design and construction of 11 facilities and for the redesign, renovation and expansion of two facilities.

Contracts to design and construct or to redesign and renovate facilities may be financed in a variety of ways. Governmental agencies may finance the construction of such facilities through any of the following methods:

- a one time general revenue appropriation by the governmental agency for the cost of the new facility;
- general obligation bonds that are secured by either a limited or unlimited tax levy by the issuing governmental entity; or
- revenue bonds or certificates of participation secured by an annual lease payment that is subject to annual or bi-annual legislative appropriations.

We may also act as a source of financing or as a facilitator with respect to the financing of the construction of a facility. In these cases, the construction of such facilities may be financed through various methods including the following:

- funds from equity offerings of our stock;
- cash on hand and/or cash flows from our operations;
- borrowings by us from banks or other institutions (which may or may not be subject to government guarantees in the event of contract termination);
- funds from debt offerings of our notes; or
- lease arrangements with third parties.

If the project is financed using direct governmental appropriations, with proceeds of the sale of bonds or other obligations issued prior to the award of the project, then financing is in place when the contract relating to the construction or renovation project is executed. If the project is financed using project-specific tax-exempt bonds or other obligations, the construction contract is generally subject to the sale of such bonds or obligations. Generally, substantial expenditures for construction will not be made on such a project until the tax-exempt bonds or other obligations are sold; and, if such bonds or obligations are not sold, construction and therefore, management of the facility, may either be delayed until alternative financing is procured or the development of the project will be suspended or entirely canceled. If the project is self-financed by us, then financing is generally in place prior to the commencement of construction.

Under our construction and design management contracts, we generally agree to be responsible for overall project development and completion. We typically act as the primary developer on construction contracts for facilities and subcontract with bonded National and/or Regional Design Build Contractors. Where possible, we subcontract with construction companies that we have worked with previously. We make use of an in-house staff of architects and operational experts from various service disciplines (e.g. security, medical service, food service, programs and facility maintenance) as part of the team that participates from conceptual design through final construction of the project. The staff coordinates all aspects of the development with subcontractors and provides site-specific services.

When designing a facility, our architects use, with appropriate modifications, prototype designs we have used in developing prior projects. We believe that the use of these designs allows us to reduce the potential of cost overruns and construction delays, thus controlling costs both to construct and to manage the facility. Our facility designs also maintain security because they increase the area under direct surveillance by correctional officers and make use of additional electronic surveillance.

## **Competitive Strengths**

### ***Long-Term Relationships with High-Quality Government Customers***

We have developed long-term relationships with our federal, state and other governmental customers, which we believe enhance our ability to win new contracts and retain existing business. We have provided secure management services to the United States Federal Government for 35 years, the State of California for 33 years, prior to the new California law AB 32 that went into effect on January 1, 2020 (aimed at phasing out public-private partnership contracts for the operation of secure facilities within California and facilities outside of the State of California housing State of California inmates), the State of Texas for approximately 34 years, various Australian state government entities for 30 years and the State of Florida for approximately 28 years. These customers accounted for approximately 73% of our consolidated revenues for the fiscal year ended December 31, 2021.

### ***Recurring Revenue with Strong Cash Flow***

Our revenue base has historically been derived from our long-term customer relationships. We have historically been able to expand our revenue base by continuing to reinvest our strong operating cash flow into expansionary projects and through strategic acquisitions that provide

scale and further enhance our service offerings. Our consolidated revenues have grown to \$2.3 billion in 2021. We expect our operating cash flow to be well in excess of our anticipated annual maintenance capital expenditure needs, which would provide us significant flexibility for the repayment of indebtedness.

### ***Sizeable International Business***

Our international infrastructure, which leverages our operational excellence in the U.S., allows us to aggressively target foreign opportunities that our U.S. based competitors without overseas operations may have difficulty pursuing. We currently have international operations in Australia, South Africa and the United Kingdom. Our international services business generated approximately \$213.8 million of revenues, representing approximately 9% of our consolidated revenues for the year ended December 31, 2021. We believe we are well positioned to continue benefiting from foreign governments' initiatives to enter into public-private partnerships for secure services.

### ***Experienced, Proven Senior Management Team***

Our Executive Chairman and founder, George C. Zoley, Ph.D., has provided senior leadership for our Company for 37 years and has established a track record of growth and profitability. Under his leadership, our annual consolidated revenues from operations have grown from \$207.0 million in 1997 to \$2.3 billion in 2021. Dr. Zoley is one of the pioneers of the industry, having developed and opened what we believe to be one of the first public-private partnership secure services facilities in the U.S. in 1986. Our Chief Executive Officer, Jose Gordo has over 20 years of experience in business management, private equity, corporate finance and business law and a long history of working with GEO. Our Chief Financial Officer, Brian R. Evans, has been with our Company for over 21 years and led our recent dispositions, our review and analysis with the Board of our corporate tax structure, and our financing activities. Our top seven senior executives have an average tenure with our Company of over 10 years.

### **Business Strategies**

#### ***Provide High Quality, Comprehensive Services and Cost Savings Throughout the Corrections Lifecycle***

Our objective is to provide federal, state and local governmental agencies with a comprehensive offering of high quality, essential services at a lower cost than they themselves could achieve. We believe government agencies facing budgetary constraints will increasingly seek to outsource a greater proportion of their correctional needs to reliable providers that can enhance quality of service at a reduced cost. We believe our expanded and diversified service offerings uniquely position us to bundle our high-quality services and provide a comprehensive continuum of care for our clients, which we believe will lead to lower cost outcomes for our clients and larger scale business opportunities for us.

#### ***Maintain Disciplined Operating Approach***

We refrain from pursuing contracts that we do not believe will yield attractive profit margins in relation to the associated operational risks. In addition, although we engage in facility development from time to time without having a corresponding management contract award in place, we endeavor to do so only where we have determined that there is medium to long-term client demand for a facility in that geographical area. We have also elected not to enter certain international markets with a history of economic and political instability. We believe that our strategy of emphasizing lower risk and higher profit opportunities helps us to consistently deliver strong operational performance, lower our costs and increase our overall profitability.

#### ***Pursue International Growth Opportunities***

As a global provider of public-private partnership secure services, we are able to capitalize on opportunities to operate existing or new facilities on behalf of foreign governments. We have seen increased business development opportunities including opportunities to cross sell our expanded service offerings in recent years in the international markets in which we operate. We will continue to actively bid on new international projects in our current markets and in new markets that fit our target profile for profitability and operational risk.

### **Intellectual Property and Patents**

We have numerous United States and foreign patents issued as well as a number of United States patents pending in the electronic monitoring space. These patents protect our intellectual property rights and provide us with a competitive advantage by seeking to prevent our competitors from duplicating our technology and/or products in the electronic monitoring line of business. The remaining duration of our patents range from 18 months to 20 years.

## Facilities and Day Reporting Centers

The following table summarizes certain information with respect to our U.S. and international secure services facilities and our reentry services facilities. The information in the table includes the facilities that we (or a subsidiary or joint venture of GEO) owned, operated under a management contract, had an agreement to provide services, had an award to manage or was in the process of constructing or expanding during the year ended December 31, 2021:

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
<b>Secure Services — Western Region:</b>								
Adelanto ICE Processing Center, Adelanto, CA	1,940	ICE	Federal Detention	Minimum/Medium	December 2019	5 years	Two, five year	Owned
Aurora/CE Processing Center Aurora, CO (2)	1,532	ICE / USMS	Federal Detention	All Levels	September 2011/October 2012	1 year /2 years	Four, one-year / Four, Two-year	Owned
Central Arizona Correctional and Rehabilitation Facility Florence, AZ	1,280	AZ DOC	State Sex Offender Correctional	Minimum/Medium	December 2006	10 years	Two, Five-year	Managed
Central Valley Annex McFarland, CA (2)	700	ICE / USMS	Federal Detention	Medium	December 2019/January 2021	5 years/1 year	Two, Five-year/None	Owned
Desert View Annex Adelanto, CA	750	ICE	Federal Detention	Medium	December 2019	5 years	Two, Five-year	Owned
Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
El Centro Detention Facility, CA	512	USMS	Federal Detention	Medium	December 2019	2 years	Three, Two-year options, plus one, nine-month	Managed
Florence West Correctional and Rehabilitation Florence, AZ	750	AZ DOC	State DUI/RTC Correctional	Minimum	October 2002	10 years	Two, Five-year	Managed
Golden State Annex McFarland, CA	700	ICE	Federal Detention	Medium	December 2019	5 years	Two, Five-year	Owned
Guadalupe County Correctional Facility Santa Rosa, NM (3)	600	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Kingman Correctional and Rehabilitation facility, Kingman, AZ	3,400	AZ DOC	State Correctional Facility	Minimum/Medium	January 2008	10 years	Two, Five-year	Managed
Lea County Correctional Facility Hobbs, NM (2)	1,200	NMCD - IGA	Local/State Correctional	Medium	January 1999	Perpetual	None	Owned
McFarland Female Community Reentry Facility McFarland, CA	300	Idle						Owned
Mesa Verde ICE Processing Center Bakersfield, CA	400	ICE	State Correctional	Minimum	December 2019	5 Years	Two, Five year	Owned
Northwest ICE Processing Center Tacoma, WA	1,575	ICE	Federal Detention	All Levels	September 2015	1 Year	Four, One-year plus five-year	Owned
Phoenix West Correctional and Rehabilitation Phoenix, AZ	500	AZ DOC	State DWI Correctional	Minimum	July 2002	10 years	Two, Five-year	Managed
Western Region Detention Facility San Diego, CA	770	USMS	Federal Detention	Maximum	November 2017	1 Year, 10 Months	One, Two-year, plus six month	Leased

<b>Facility Name &amp; Location</b>	<b>Capacity(1)</b>	<b>Primary Customer</b>	<b>Facility Type</b>	<b>Security Level</b>	<b>Commencement of Current Contract</b>	<b>Base Period</b>	<b>Renewal Options</b>	<b>Managed Leased/ Owned</b>
<b>Secure Services — Central Region:</b>								
Big Spring Correctional Facility Big Spring, TX	1,732	Idle						Owned
Flightline Correctional Facility, TX	1,800	Idle						Owned
Brooks County Detention Center, TX (2)	652	USMS - IGA	Local & Federal Detention	Medium	March 2013	Perpetual	None	Owned
Coastal Bend Detention Center, TX (2)	1,176	USMS - IGA	Local & Federal Detention	Medium	July 2012	Perpetual	None	Owned
Eagle Pass Correctional Facility, Eagle Pass, TX	661	USMS	Federal Detention	Medium	October 2020	Perpetual	None	Owned
East Hidalgo Detention Center (2)	1,346	USMS - IGA	Local & Federal Detention	Medium	July 2012	Perpetual	None	Owned
Great Plains Correctional Facility Hinton, OK	1,940	Idle						Owned
Joe Corley Processing Center Conroe, TX (2)	1,517	USMS / ICE	Local Correctional	Medium	July 2008/ September 2018	Perpetual/5 Years	None/Five-year	Owned
Karnes Detention Facility Karnes City, TX (2)	679	USMS - IGA	Local & Federal Detention	All Levels	February 1998	Perpetual	None	Owned
Karnes County Family Residential Center, TX (2)	830	ICE - IGA	Federal Detention	All Levels	December 2010	5 years	Two, Five-Year	Owned
Kinney County Detention Center, TX (2)	384	USMS - IGA	Local & Federal Detention	Medium	September 2013	Perpetual	None	Managed
Lawton Correctional Facility Lawton, OK	2,682	OK DOC	State Correctional	Medium	July 2018	1 Year	Four, Automatic One-year	Owned
Montgomery Processing Center Conroe, TX	1,314	ICE	Local & Federal Detention	All levels	October 2018	10 months	Nine, One- year	Owned

<b>Facility Name &amp; Location</b>	<b>Capacity(1)</b>	<b>Primary Customer</b>	<b>Facility Type</b>	<b>Security Level</b>	<b>Commencement of Current Contract</b>	<b>Base Period</b>	<b>Renewal Options</b>	<b>Managed Leased/Owned</b>
Reeves County Detention Center R3 Pecos, TX	1,376	Reeves County/BOP	Federal Correctional	Low	July 2019	3 years	Seven, One-year, plus One, six-month	Managed
Rio Grande Processing Center Laredo, TX	1,900	USMS	Federal Detention	Medium	October 2008	5 years	Three, Five-year	Owned
South Texas ICE Processing Center Pearsall, TX	1,904	ICE	Federal Detention	All Levels	August 2020	1 year	Nine, One-year	Owned
Val Verde County Detention Facility Del Rio, TX (2)	1,407	USMS - IGA	Local & Federal Detention	All Levels	January 2001	Perpetual	None	Owned
<b>Secure Services — Eastern Region:</b>								
Alexandria Staging Facility Alexandria, LA (2)	400	ICE - IGA	Federal Detention	Minimum/Medium	November 2013	Perpetual	None	Owned
Blackwater River Correctional and Rehabilitation Facility Milton, FL	2,000	FL DMS	State Correctional	Medium/close	October 2010	3 years	Unlimited, Two-year	Managed
Broward Transitional Center Deerfield Beach, FL	700	ICE	Federal Detention	Minimum	September 2021	1 year	Four, One-year	Owned
D. Ray James Correctional Facility Folkston, GA	1,900	Idle						Owned
Folkston ICE Processing Center (2) Folkston, GA	1,118	ICE - IGA	Federal Detention	Minimum	December 2016	1 year	Four, One-year, plus one, two-month	Owned
George W. Hill Correctional Facility, PA	1,883	Delaware County	State Correctional	Minimum	January 2019	3 years, 3 months, 4 days	None	Managed
Heritage Trail Correctional Facility Plainfield, IN	1,066	IN DOC	State Correctional	Minimum	March 2011	4 years	One, Four-year, plus one, one year, four months and two days extension, plus one year extension, plus five year extension	Managed
LaSalle ICE Processing Center Jena, LA (2)	1,160	ICE - IGA	Federal Detention	Minimum/Medium	November 2013	Perpetual	None	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/Owned
Lawrenceville Correctional and Rehabilitation Facility Lawrenceville, VA	1,536	VA DOC	State Correctional	Medium	August 2018	5 years	Ten, One-year extensions	Managed
Moshannon Valley Correctional Facility Philipsburg, PA	1,876	ICE-IGA	Federal Correctional	Medium	September 2021	1 year	Four, one-year	Owned
Moore Haven Correctional and Rehabilitation Facility Moore Haven, FL	985	FL DMS	State Correctional	Minimum/Medium	July 2021	3 years	Unlimited, Two-year	Managed
New Castle Correctional Facility New Castle, IN	3,196	IN DOC	State Correctional	All Levels	September 2005	4 years	One year, one month and 20 days, Nine year Seven month 14 days, plus one ninety-day extension, plus one nine-month extension, Three, five-year	Managed
North Lake Correctional Facility Baldwin, MI	1,800	BOP	Federal Correctional	Medium/Maximum	October 2019	3 years	Seven, one-year, plus one six-month	Owned
Perry County Correctional Facility, AL	690	Idle						Owned
Pine Prairie ICE Processing Center, LA (2)	1,094	ICE-IGA	State Correctional	Medium	June 2015	5 years	One-month, plus fifty nine-month extension	Owned
Riverbend Correctional and Rehabilitation Facility Milledgeville, GA	1,500	GA DOC	State Correctional	Medium	July 2010	1 year	Forty, One-year	Owned
Rivers Correctional Facility Winton, NC	1,450	Idle						Owned
Robert A. Deyton Detention Facility Lovejoy, GA	768	USMS	Federal Detention	Medium	February 2008	5 years	Three, five-year	Leased
South Bay Correctional and Rehabilitation Facility South Bay, FL	1,948	FL DMS	State Correctional	Medium/Close	July 2009	3 years	Four, Two-year, plus one six-month extension, plus one two-year	Managed
South Louisiana ICE Processing Center, LA(2)	1,000	ICE-IGA	State Correctional	Medium	June 2015	5 years	One-month, plus fifty nine-month extension	Owned
<b>Secure Services —</b>								
<b>Australia:</b>								
Fulham Correctional Centre & Nalu Challenge Community Victoria, Australia	922	VIC DOJ	State Prison	Minimum/Medium	July 2012	4 years	Nineteen years, Four months	Managed
Junee Correctional Centre New South Wales, Australia	1,279	NSW	State Prison	Minimum/Medium	March 2014	5 years	Two, Five year	Managed
Ravenhall Correctional Centre Melbourne, Australia	1,300	VIC DOJ	State Prison	Medium	November 2017	24 years plus 5 months	None	Managed

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
<b>Secure Services — South Africa:</b>								
Kutama-Sinthumule Correctional Centre Limpopo Province, Republic of South Africa	3,024	RSA DCS	National Prison	Maximum	February 2002	25 years	None	Managed
<b>Corrections &amp; Detention — Canada:</b>								
New Brunswick Youth Centre Mirimachi, Canada (3)	N/A	PNB	Provincial Juvenile Facility	All Levels	October 1997	25 years	One, Ten-year	Managed
<b>Reentry Services:</b>								
ADAPPT, PA	186	PA DOC	Community Corrections	Community	February 2019	1 year	Four, One-year options	Owned
Alabama Therapeutic Education Facility, AL	724	AL DOC	Community Corrections	Community	August 2021	1 year	None	Owned
Albert Bo Robinson Assessment & Treatment Center, NJ	900	Idle						Owned
Alle Kiski Pavilion, PA	104	Idle						Owned
Arapahoe County Residential Center, CO	240	Arapahoe County	Community Corrections	Community	July 2021	1 year	None	Owned
Beaumont Transitional Treatment Center Beaumont, TX	180	TDCJ	Community Corrections	Community	September 2020	2 years	Three, One-year options	Owned
Bronx Community reentry Center Bronx, NY	196	BOP	Community Corrections	Community	July 2020	1 year	Nine, One-year	Leased
Casper Reentry Center, WY	342	BOP/Natrona	Community Corrections	Community	January 2022/July 2021	1 year/2 years	Four, One year/None	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Chester County, PA	149	PA DOC	Community Corrections	Community	February 2019	1 year	Four, One-year options	Owned
Cheyenne Mountain Recovery Center, CO	750	Idle						Owned
Coleman Hall, PA	350	Idle						Owned
Community Alternatives of El Paso County, CO	240	El Paso County	Community Corrections	Community	June 2019	1 year	Three, One-year options	Owned
Correctional Alternative Placement Services, CO	45	Idle						Owned
Community Alternatives of the Black Hills, SD	68	BOP	Community Corrections	Community	October 2021	1 year	Four, One-year renewals/Four, One-year renewals	Owned
Cordova Center Anchorage, AK	296	BOP / AK DOC	Community Corrections	Community	June 2019/July 2019	1 year/1 year		Owned
Delaney Hall, NJ	1,200	Union County/Essex County/NJ State Parole Board	Community Corrections	Community	January 2022	1 Year	One, One-year	Owned
El Monte Center El Monte, CA	70	BOP	Community Corrections	Community	October 2019	1 year	Nine, One-year options	Leased
Grossman Center Leavenworth, KS	150	BOP	Community Corrections	Community	July 2019	1 year	Nine, One-year options	Owned
Las Vegas Community Correctional Center Las Vegas, NV	124	BOP	Community Corrections	Community	February 2021	1 year	Four, One-year extensions	Owned
Leidel Comprehensive Sanction Center Houston, TX	190	BOP	Community Corrections	Community	January 2021	1 year	Four, One-year	Owned



Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Logan Hall, NJ	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Leased
Long Beach Community Reentry Center, CA	112	CDCR	Community Corrections	Community	November 2019	4 years, 7 months, 4 weeks, 1 day	None	Leased
Marvin Gardens Center Los Angeles, CA	60	BOP	Community Corrections	Community	December 2018	1 year	Four, One year	Leased
Mid Valley House Edinburg, TX	128	BOP	Community Corrections	Community	December 2020	1 year	Nine, One year	Owned
Midtown Center Anchorage, AK	32	AK DOC	Community Corrections	Community Corrections	June 2019	1 year	Four, One year	Owned
New Mexico Mens Recovery Academy, NM	174	NM DOC	Community Corrections	Community Corrections	July 2019	4 years	None	Managed
New Mexico Womens Recovery Academy, NM	60	NM DOC	Community Corrections	Community Corrections	July 2019	4 years	None	Managed
Northstar Center Fairbanks, AK							Three, One year, plus one seven month extension, plus two, four-month, plus two, two-month extensions	
Oakland Center Oakland, CA	143	AK DOC	Community Corrections	Community	September 2016	10 months		Leased
	69	BOP	Community Corrections	Community	February 2020	1 year	Nine, One year	Owned
Parkview Center Anchorage, AK	112	AK DOC	Community Corrections	Community	June 2020	1 year	Three, One year	Owned
Philadelphia Residential Reentry Center	400	BOP	Community Corrections	Community	April 2019	1 year	Four, One year	Owned
Reality House Brownsville, TX	94	BOP	Community Corrections	Community	July 2019	1 year	Four, One year	Owned
Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Salt Lake City Center Salt Lake City, UT	115	BOP	Community Corrections	Community	June 2019	1 year	Nine, One-year	Owned
Scranton Facility, PA	100	PA DOC	Community Corrections	Community	February 2019	1 year	Four, One-year	Leased
Seaside Center Nome, AK	62	AK DOC	Community Corrections	Community	June 2019	1 year	Four, One-year	Owned
Southeast Texas Transitional Center Houston, TX	500	TDCJ	Community Corrections	Community	September 2020	2 years	Three One-year	Owned
The Harbor, NJ	260	NJ DOC	Community Corrections	Community	January 2020	2 years	One, two-month extension	Leased
Toler Hall, NJ	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Leased
Tully House, NJ	344	NJ DOC	Community Corrections	Community	January 2020	2 years	One, two-months extension	Owned
Taylor Street Center San Francisco, CA	240	BOP / CDCR	Community Corrections	Community	April 2021/July 2017	1 year/3 years	Four, One-year/Two, One-year extensions	Owned
Tampa Residential Reentry Center Tampa, FL	118	BOP	Community Corrections	Community	September 2021	1 year	Four, One-year extensions	Owned
Tundra Center Bethel, AK	85	AK DOC	Community Corrections	Community	June 2019	1 year	Four, One-year options	Owned

Abraxas Academy Morgantown, PA	214	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Abraxas I Marienville, PA	204	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Abraxas Ohio Shelby, OH	100	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Hector Garza Center San Antonio, TX	139	Idle						Owned
Southern Peaks Regional Treatment Center Canon City, CO	136	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Southwood Interventions Chicago, IL	80	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Woodridge Interventions Woodridge, IL	90	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned

The following table summarizes certain information with respect to our reentry Day Reporting Centers, which we refer to as DRCs. The information in the table includes the DRCs that we (or a subsidiary or joint venture of GEO) operated under a management contract or had an agreement to provide services as of December 31, 2021:

DRC Location	Number of reporting centers	Type of Customers	Commencement of current contract	Base period	Renewal options	Manage only/ lease
Colorado (4)	3	State, County	Various, 2018 – 2021	1 year	Varies	Lease
California	29	State, County	Various, 2016 – 2021	3 years	One, One-year	Lease or Manage only
New Jersey	5	State, County	2021	4 years	One, One-year	Lease
Pennsylvania	7	State, County	Various, 2006 – 2021	3 to 5 years	Varies	Lease
Illinois	9	State, County	2018	5 years	One, Five-year	Lease or Manage only
Kansas	1	County	2021	1 year	Four, One-year	Lease
Louisiana	7	State	2018	3 years	None	Lease
Tennessee	15	State	2020	5 years	Five, One-year	Lease
Idaho	7	State	2020	3 years	After base, may be renewed, extended or amended	Lease
Kentucky	1	County	2020	1 year	Four, One-year	Lease

**Customer Legend:**

<b>Abbreviation</b>	<b>Customer</b>
AL DOC	Alabama Department of Corrections
AK DOC	Alaska Department of Corrections
AZ DOC	Arizona Department of Corrections
BOP	Federal Bureau of Prisons
CDCR	California Department of Corrections & Rehabilitation
CO DOC	Colorado Department of Corrections
FL DOC	Florida Department of Corrections
FL DMS	Florida Department of Management Services
GA DOC	Georgia Department of Corrections
ICE	U.S. Immigration & Customs Enforcement
ID DOC	Idaho Department of Corrections
IN DOC	Indiana Department of Correction
IGA	Inter-governmental Agreement
IL DASA	Illinois Department of Alcoholism and Substance Abuse
LA DOC	Louisiana Department of Corrections
NJ DOC	New Jersey Department of Corrections
NM DOC	New Mexico Department of Corrections
NSW	Commissioner of Corrective Services for New South Wales, Australia
OK DOC	Oklahoma Department of Corrections
PA DOC	Pennsylvania Department of Corrections
PNB	Province of New Brunswick
QLD DCS	Department of Corrective Services of the State of Queensland, Australia
RSA DCS	Republic of South Africa Department of Correctional Services
SD DOC	South Dakota Department of Corrections
TDCJ	Texas Department of Criminal Justice
UKBA	United Kingdom Border Agency
USMS	United States Marshals Service
VA DOC	Virginia Department of Corrections
VIC DOJ	Department of Justice of the State of Victoria, Australia
VT DOC	Vermont Department of Corrections
WA DOC	Washington Department of Corrections

- (1) Capacity as used in the table refers to operational capacity consisting of total beds for all facilities.
- (2) GEO provides services at these facilities through various Inter-Governmental Agreements, or IGAs, through the various counties and other jurisdictions.
- (3) The contract for this facility only requires GEO to provide maintenance services.
- (4) The Colorado Day Reporting Centers provide many of the same services as the full-service Day Reporting Centers, but rather than providing these services through comprehensive treatment plans dictated by the governing authority, these services are provided on a fee for service basis. Such services may be connected to government agency contracts and would be reimbursed by those agencies. Other services are offered directly to offenders allowing them to meet court-ordered requirements and are paid by the offender as the service is provided.

**Government Contracts — Terminations, Renewals and Competitive Re-bids**

Generally, we may lose our facility management contracts due to one of three reasons: the termination by a government customer with or without cause at any time; the failure by a customer to renew a contract with us upon the expiration of the then current term; or our failure to win the right to continue to operate under a contract that has been competitively re-bid in a procurement process upon its termination or expiration. Our facility management contracts typically allow a contracting governmental agency to terminate a contract with or without cause at any time by giving us written notice ranging from 30 to 180 days. If government agencies were to use these provisions to terminate, or renegotiate the terms of their agreements with us, our financial condition and results of operations could be materially adversely affected. See “Risk Factors — “We are subject to the loss of our facility management contracts, due to terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers”.

Aside from our customers’ unilateral right to terminate our facility management contracts with them at any time for any reason, there are two points during the typical lifecycle of a contract which may result in the loss by us of a facility management contract with our customers.

We refer to these points as contract “renewals” and contract “re-bids.” Many of our facility management contracts with our government customers have an initial fixed term and subsequent renewal rights for one or more additional periods at the unilateral option of the customer. We count each government customer’s right to renew a particular facility management contract for an additional period as a separate “renewal.” For example, a five-year initial fixed term contract with customer options to renew for five separate additional one-year periods would, if fully exercised, be counted as five separate renewals, with one renewal coming in each of the five years following the initial term. As of December 31, 2021, 58 of our facility management contracts representing approximately 29,000 beds are scheduled to expire on or before December 31, 2022, unless renewed by the customer at its sole option in certain cases, or unless renewed by mutual agreement in other cases. These contracts represented approximately 29% of our consolidated revenues for the year ended December 31, 2021. We undertake substantial efforts to renew our facility management contracts. Our average historical facility management contract renewal rate prior to President Biden’s Executive Order was approximately 90%. The Executive Order has led to several contract non-renewals as previously discussed. We cannot assure you that our customers will in fact exercise their renewal options under existing contracts. In addition, in connection with contract renewals, either we or the contracting government agency have typically requested changes or adjustments to contractual terms. As a result, contract renewals may be made on terms that are more or less favorable to us than those in existence prior to the renewals.

We define competitive re-bids as contracts currently under our management which we believe, based on our experience with the customer and the facility involved, will be re-bid to us and other potential service providers in a competitive procurement process upon the expiration or termination of our contract, assuming all renewal options are exercised. Our determination of which contracts we believe will be competitively re-bid may in some cases be subjective and judgmental, based largely on our knowledge of the dynamics involving a particular contract, the customer and the facility involved. Competitive re-bids may result from the expiration of the term of a contract, including the initial fixed term plus any renewal periods, or the early termination of a contract by a customer. Competitive re-bids are often required by applicable federal or state procurement laws periodically in order to encourage competitive pricing and other terms for the government customer. Potential bidders in competitive re-bid situations include us, other private operators and other government entities. While we are pleased with our historical win rate on competitive re-bids and are committed to continuing to bid competitively on appropriate future competitive re-bid opportunities, we cannot in fact assure you that we will prevail in future competitive re-bid situations. Also, we cannot assure you that any competitive re-bids we win will be on terms more favorable to us than those in existence with respect to the expiring contract.

As of December 31, 2021, 19 of our facility management contracts may be subject to competitive re-bid in 2022. These contracts in the aggregate represented approximately 7% and approximately \$158 million of our 2021 consolidated revenues. The following table sets forth the number of facility management contracts that we currently believe will be subject to competitive re-bid in each of the next five years and thereafter, and the total number of beds relating to those potential competitive re-bid situations during each period:

Year	Re-bid	Total Number of Beds up for Re-bid
2022	19	5,142
2023	12	6,585
2024	15	2,089
2025	11	5,155
2026	14	11,545
Thereafter	27	22,808
<b>Total</b>	<b>98</b>	<b>53,324</b>

## Competition

We compete primarily on the basis of the quality and range of services we offer; our experience domestically and internationally in the design, construction, and management of public-private partnerships for secure service facilities; our reputation; and our pricing. We compete directly with the public sector, where governmental agencies responsible for the operation of secure services, processing services, community-based services and reentry facilities are often seeking to retain projects that might otherwise become a public-private partnership. In the private sector, our U.S. Secure Services and International Services business segments compete with a number of companies, including, but not limited to: Core Civic; Management and Training Corporation; Emerald Companies; LaSalle Southwest Corrections; Group 4 Securicor; Sodexo Justice Services (formerly Kaylx); and Serco. Our Reentry Services and Electronic Monitoring and Supervision Services business segments compete with a number of different small-to-medium sized companies, reflecting the highly fragmented nature of the community-based services industry. BI’s electronic monitoring business competes with a number of companies, including, but not limited to: G4 Justice Services, LLC and 3M Electronic Monitoring, a 3M Company. Some of our competitors are larger and have more resources than we do. We also compete in some markets with small local companies that may have a better knowledge of the local conditions and may be better able to gain political and public acceptance.

## Human Capital Resources

The Company's key human capital management objectives are to attract, retain and develop the highest quality talent. To support these objectives, the Company's human resources programs are designed to develop talent to prepare them for critical roles and leadership positions for the future; reward and support employees through competitive pay, benefit, and perquisite programs; enhance the Company's culture through efforts aimed at making the workplace more engaging and inclusive; acquire talent and facilitate internal talent mobility to create a high-performing, diverse workforce; and evolve and invest in technology, tools, and resources to enable employees at work.

At December 31, 2021, we had approximately 15,800 full-time employees. Of our full-time employees, approximately 400 were employed at our corporate headquarters and regional offices and approximately 15,400 were employed at facilities and international offices. We employ personnel in positions of management, administrative and clerical, security, educational services, human resource services, health services and general maintenance at our various locations.

Approximately 5,000 and 1,400 employees are covered by collective bargaining agreements in the United States and at international offices, respectively. GEO welcomes the participation of labor unions in our facilities and respects the rights of individual employees to choose whether or not to join labor organizations. We actively participate in the collective bargaining process, negotiate in good faith and maintain excellent working relationships with each of the unions representing our employees. As a result, over the years, GEO has not experienced any significant or major labor actions, such as strikes or work stoppages.

### *Training*

GEO has a robust training program for staff at all levels of the organization. Our training of managerial, administrative, and security staff is based on the standards set by the American Correctional Association. Training includes classroom learning, practical exercises, course examinations, and on-the-job training. GEO's corporate policy also mandates that every new employee receive orientation training prior to undertaking any assignments

Under the laws applicable to most of our operations, and internal company policies, our correctional officers are required to complete a minimum amount of training. We generally require at least 40 hours of pre-service training before an employee is allowed to assume their duties plus an additional 120 hours of training during their first year of employment in our domestic facilities, consistent with ACA standards and/or applicable state laws. In addition to the usual 160 hours of training in the first year, most states require 40 or 80 hours of on-the-job training. Florida law requires that correctional officers receive 520 hours of training. We believe that our training programs meet or exceed all applicable requirements.

Our training program for domestic facilities typically begins with approximately 40 hours of instruction regarding our policies, operational procedures and management philosophy. Training continues with an additional 120 hours of instruction covering legal issues, rights of individuals within our care, techniques of communication and supervision, interpersonal skills and job training relating to the particular position to be held. Each of our employees who has contact with individuals within our care receives a minimum of 40 hours of additional training each year, and each manager receives at least 24 hours of training each year.

At least 160 hours of training are required for our employees in Australia and South Africa before such employees are allowed to work in positions that will bring them into contact with individuals within our care. Our employees in Australia and South Africa receive a minimum of 40 hours of refresher training each year

With respect to BI and the Intensive Supervision and Appearance Program ("ISAP") services contract, new employees are required to complete training requirements as outlined in the contract within 14 days of hire and prior to being assigned autonomous ISAP related duties. These employees receive 25 hours of refresher training annually thereafter. Program managers for our ISAP contract must receive 24 hours of additional initial training. BI's monitoring services maintains its own comprehensive certification and training program for all monitoring service specialists. We require all new personnel hired for a position in monitoring operations to complete a seven-week training program. Successful completion of our training program and a final certification is required of all of our personnel performing monitoring operations. We require that certification is achieved prior to being permitted to work independently in the call center.

### *Health, wellness and employee resources*

GEO's benefit offerings are designed to meet the varied and evolving needs of a diverse workforce across businesses and geographies. GEO offers a comprehensive employee benefits program that is competitive for each of the various locations in which we operate across the United States which are designed to develop, attract and retain personnel. The variety of our benefit offerings is designed to provide individual employees with the flexibility to choose coverage options and benefits that best meet their needs and address their priorities.

As the COVID-19 pandemic has impacted communities across the United States and around the world, our employees have also been impacted by the spread of COVID-19. Ensuring the health and safety of our employees and all those in our care has always been our number

one priority. We advise our employees to remain home if they exhibit flu-like symptoms, and we have exercised and continue to exercise flexible paid leave and paid time off policies to allow for employees to remain home if they exhibit flu-like symptoms or to care for a family member.

### *Career Growth and Development*

GEO employees and their family members (parent, spouse and child) are eligible to further pursue their educational goals by receiving reduced tuition rates on a variety of accredited on-line degree programs in business, education, healthcare and other disciplines provided at 14 different higher education institutions. A tuition reimbursement program is also available for GEO employees pursuing their education as they work to develop their skills and enhance their job performance. Tuition reimbursement is provided to eligible employees for courses offered by accredited colleges, universities, and secretarial and trade schools. Separately, GEO's subsidiary, BI, offers an education assistance program to its full-time employees with at least one year of service. Employees who enroll in the program are eligible to receive up to \$3,500 a year in tuition reimbursement.

### *Diversity and Inclusion*

In all areas of our business, GEO strives to achieve wider racial and ethnic diversity. In 2021, three of our Board seats were held by members of minority communities. Across our organization, under-represented minorities of the United States of America – including African Americans, Hispanic and Latino, Asian, Pacific Islander, Native Hawaiian and Native American/Alaskan – currently account for 61% of our U.S. employees. Minorities comprise 39% of GEO's corporate workforce, 69% of our facility security staff, and 27% of those serving in management positions as directors or above.

Additionally, women comprise an equal portion of GEO's U.S. workforce and play a significant role in our leadership and management. Women are also involved at the highest levels of our organization. Of the nine members of GEO's Board of Directors in 2021, two are women. In 2018, the organization 2020 Women on Boards recognized GEO Group as a Winning Company for its commitment to Board diversity. Winning Companies champion Board diversity by having 20% or more of their Board seats held by women.

### **Business Regulations and Legal Considerations**

Many governmental agencies are required to enter into a competitive bidding procedure before awarding contracts for products or services. The laws of certain jurisdictions may also require us to award subcontracts on a competitive basis or to subcontract or partner with businesses owned by women or members of minority groups.

Certain states, such as Florida, deem correctional officers to be peace officers and require our personnel to be licensed and subject to background investigation. State law also typically requires correctional officers to meet certain training standards.

The failure to comply with any applicable laws, rules or regulations or the loss of any required license could have a material adverse effect on our business, financial condition and results of operations. Furthermore, our current and future operations may be subject to additional regulations as a result of, among other factors, new statutes and regulations and changes in the manner in which existing statutes and regulations are or may be interpreted or applied. Any such additional regulations could have a material adverse effect on our business, financial condition and results of operations.

### **Insurance**

The nature of our business exposes us to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from an escape of an individual in our care or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. We maintain a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. There can be no assurance that our insurance coverage will be adequate to cover all claims to which we may be exposed. It is our general practice to bring merged or acquired companies into our corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. ("Florina"), to enhance our risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles

for workers' compensation, general liability, automobile liability, medical professional liability and directors and officers' liability as well as procuring insurance policies for its directors' and officers' excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

We currently maintain a general liability policy and excess liability policies with total limits of \$70.0 million per occurrence and \$90.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry Services and Electronic and Supervision Services. We have a claims-made liability insurance program with a specific loss limit of \$40.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. We are uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers' compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, we carry substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers' compensation, \$2.5 million per occurrence for directors and officers' liability and \$1.0 million per occurrence for automobile liability. In addition, certain of our facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent us from insuring some of its facilities to full replacement value.

With respect to operations in South Africa and Australia, we utilize a combination of locally-procured insurance and global policies to meet contractual insurance requirements and protect us. In addition to these policies, our Australian subsidiary carries tail insurance on a general liability policy related to a discontinued contract.

Of the insurance policies discussed above, our most significant insurance reserves relate to workers' compensation, general liability and auto claims. These reserves, which include Florina's reserves and GEO's legacy reserves, are undiscounted and were \$74.2 million and \$78.9 million as of December 31, 2021 and 2020, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. We use statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, we consider such factors as historical frequency and severity of claims at each of our facilities, claim development, payment patterns and changes in the nature of our business, among other factors. Such factors are analyzed for each of our business segments. Our estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. We also may experience variability between our estimates and the actual settlement due to limitations inherent in the estimation process, including our ability to estimate costs of processing and settling claims in a timely manner as well as our ability to accurately estimate our exposure at the onset of a claim. Because we have high deductible insurance policies, the amount of our insurance expense is dependent on our ability to control our claims experience. If actual losses related to insurance claims significantly differ from our estimates, our financial condition, results of operations and cash flows could be materially adversely impacted.

### International Operations

Our international operations for fiscal years 2021, 2020 and 2019 consisted of the operations of our wholly-owned Australian subsidiary and South African Custodial Management Pty. Limited, our consolidated joint venture in South Africa, which we refer to as SACM. In Australia, our wholly owned subsidiary, GEO Australia, currently manages three facilities. We operate one facility in South Africa through SACM. See Item 7 for more discussion related to the results of our international operations. Financial information about our operations in different geographic regions appears in Note-15 Business Segments and Geographic Information in the notes to our audited consolidated financial statements included in Part II, Item 8 of this annual report on Form 10-K.

### Business Concentration

Except for the major customers noted in the following table, no other single customer made up greater than 10% of our consolidated revenues for these years.

Customer	2021	2020	2019
Various agencies of the U.S. Federal Government:	58%	56%	53%

Credit risk related to accounts receivable is reflective of the related revenues. The margins on our federal contracts are above the company average due to the fact that they are for company-owned facilities.

### Available Information

Additional information about us can be found at [www.geogroup.com](http://www.geogroup.com). We make available on our website, free of charge, access to our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, our annual proxy statement on Schedule 14A

and amendments to those materials filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically submit such materials to the Securities and Exchange Commission, or the SEC. In addition, the SEC makes available on its website, free of charge, reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including GEO. The SEC's website is located at <http://www.sec.gov>. Information provided on our website or on the SEC's website is not part of this Annual Report on Form 10-K.

## **Item 1A. Risk Factors**

### ***Summary of Risk Factors***

The risk factors summarized and detailed below could materially adversely affect our business, financial condition, or results of operations, impair our future prospects and/or cause the price of our common stock to decline. Additional risks not currently known to us or those we currently deem to be immaterial may also materially and adversely affect our business operations. Material risks that may affect our business, operating results and financial condition include, but are not necessarily limited to, those relating to:

#### ***Risks Related to Public-Private Partnerships***

- Public and political opposition to the use of public-private partnerships could have a material adverse effect.

#### ***Risks Related to Our High Level of Indebtedness***

- Our level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our debt service obligations.
- We may not be able to refinance our debt as it matures because many banks are unwilling to loan money to private operators of secure correctional and detention facilities, processing centers, and reentry centers or assist us in capital markets transactions in which we could sell debt or equity securities. Specifically, of the 65 banks in our lending syndicate, six have informed us that they will not renew their lending commitments to us when such commitments expire in 2024. These six banks represent 54% of the lending commitments under the revolver component of our senior credit facility. Additional lending institutions may also become unwilling to loan money or assist us in capital markets transactions. If we cannot generate sufficient free cash flow to service our debt or convince our lenders to refinance our debt or assist us in capital markets transactions to raise funds to refinance our debt, we may be required to divest assets or take other actions to repay debt.
- We are incurring significant indebtedness in connection with substantial ongoing technology related and capital expenditures.
- We may still incur more indebtedness which could further exacerbate the risks we face.
- Our borrowing costs and access to capital and credit markets could be adversely affected by a downgrade or potential downgrade of our credit ratings.
- The covenants in the indentures governing our outstanding senior notes and our credit facility impose significant operating and financial restrictions.
- Servicing our indebtedness will require a significant amount of cash.
- A general increase in interest rates would adversely affect cash flows.
- We depend on distributions from our subsidiaries to make payments on our indebtedness.
- We may not be able to satisfy our repurchase obligations in the event of a change of control or fundamental change.
- The conditional exchange features of the 6.5% Exchangeable Senior Notes, if triggered, may adversely affect our financial condition.

#### ***Risks Related to COVID-19 and its Impact on our Business***

- COVID-19 has and we expect it will continue to adversely impact and disrupt our business.

#### ***Risks Related to Our Business and Services***

- The loss of, or a significant decrease in revenues from, our limited number of customers could seriously harm our financial condition and results of operations.
- Fluctuations in occupancy levels could cause a decrease in revenues and profitability.



- State budgetary constraints may have a material adverse impact on us.
- Loss of our facility management contracts could adversely affect our results of operations and liquidity.
- Our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers, and community based facilities and to secure contracts to provide electronic monitoring services, community based reentry services and monitoring and supervisions services, the demand for which is outside our control.
- We may not be able to meet state requirements for capital investment or locate land for the development of new facilities.
- Competition for contracts may adversely affect the profitability of our business.
- We are dependent on government appropriations.
- Adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts.
- We may incur significant start-up and operating costs on new contracts before receiving related revenues.
- We may face community opposition to facility locations, which may adversely affect our ability to obtain new contracts.
- Catastrophic events could disrupt operations and otherwise materially adversely affect our business.
- Our international operations expose us to risks that could materially adversely affect our financial conditions and results of operations.
- We conduct certain of our operations through joint ventures or consortiums.
- Our operating results could be impacted by our ability to obtain adequate levels of surety credit.
- We are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel.
- Adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations.
- Our profitability may be adversely affected by inflation.

***Risks Related to our Corporate Tax Structure***

- Our obligations to pay income taxes will increase beginning with our income taxes for the year ended December 31, 2021.
- We may fail to realize the anticipated benefits of terminating our REIT election and becoming a taxable C Corporation for our fiscal year ended December 31, 2021 or those benefits may take longer to realize than expected.
- If we failed to remain qualified as a REIT for those years we elected REIT status, we would be subject to corporate income taxes and would not be able to deduct distributions to stockholders when computing our taxable income for those years.
- Even if we remained qualified as a REIT for those years we elected REIT status, we may owe taxes under certain circumstances.

***Risks Related to Real Estate and Construction Matters***

- Various risks associated with the ownership of real estate may adversely affect our results of operations.
- Risks related to facility construction and development activities may increase our costs.

***Risks Related to the Capital Markets and its Impact on our Business***

- Negative conditions in the capital markets could prevent us from obtaining financing.

***Risks Related to our Electronic Monitoring Products and Technology***

- Technological changes could cause a material adverse effect on our business.
- Any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products and services by government customers could have a material adverse effect on our business, financial condition and results of operations.
- Our electronic monitoring products and services could be harmed due to our dependence on a limited number of third-party suppliers.
- Our ability to meet contractual requirements for security.
- An inability to acquire, protect or maintain our intellectual property could harm our ability to compete or grow.

- Our electronic monitoring products could infringe on the intellectual property rights of others.
- We license intellectual property rights in the electronic monitoring space, including patents, from third party owners. If such owners do not properly maintain or enforce the intellectual property underlying such licenses, our competitive position and business prospects could be harmed. Our licensors may also seek to terminate our license.
- We may be subject to costly product liability claims from the use of our electronic monitoring products.

***Risks Related to Information Technology and Cybersecurity***

- The interruption of our services or information systems could adversely affect our business.

***Risks Related to Acquisitions and Dispositions***

- We may not be able to successfully identify or consummate acquisitions or dispositions.
- Our goodwill or other intangible assets may become impaired.

***Risks Related to Legal, Regulatory and Compliance Matters***

- Failure to comply with regulations and contractual requirements could have a material adverse effect.
- Our business operations expose us to various liabilities for which we may not have adequate insurance.
- We may not be able to obtain or maintain the insurance levels required by our government contracts.

***Risks Related to Corporate Social Responsibility***

- We are subject to risks related to corporate social responsibility.

***Risks Related to Our Common Stock***

- The market price of our common stock may vary substantially.
- Future sales or issuances of shares of our common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders.
- Various anti-takeover protections applicable to us may make an acquisition of us more difficult and reduce the market value of our common stock.
- Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have an adverse effect on our business and the trading price of our common stock.
- We may issue additional debt securities that could limit our operating flexibility and negatively affect the value of our common stock.

The following are certain risks to which our business operations are subject. Any of these risks could materially adversely affect our business, financial condition, or results of operations. These risks could also cause our actual results to differ materially from those indicated in the forward-looking statements contained herein and elsewhere. *The risks described below are not the only risks we face. Additional risks not currently known to us or those we currently deem to be immaterial may also materially and adversely affect our business operations.*

**Risks Relating to Public-Private Partnerships**

***Public and political opposition to the use of public-private partnerships for secure facilities, processing centers and community reentry centers could result in our inability to obtain new contracts or the loss of existing contracts, impact our ability to obtain or refinance debt financing or enter into commercial arrangements, which could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities.***

The management and operation of secure facilities, processing centers and community reentry centers under public-private partnerships has not achieved complete acceptance by either government agencies or the public. Some governmental agencies have limitations on their ability to delegate their traditional management responsibilities for such facilities and centers to private sector companies or they may be instructed by a governmental agency or authority overseeing them to reduce their utilization or scope of public-private partnerships or undertake additional reviews of their public-private partnerships. Any report prepared by or requested by a governmental agency or public official, investigation or inquiry, public statement by any governmental agency or public official, policy or legislative change by any federal,

state or local government, or other similar occurrence or action, that seeks to, or purports to, prohibit, eliminate, or otherwise restrict or limit in any way, the federal government's (or any state or local government's) ability to contract with private sector companies for the operation of these facilities and centers, could adversely impact our ability to maintain or renew existing contracts or to obtain new contracts.

On January 26, 2021, President Biden signed an Executive Order directing the United States Attorney General not to renew Department of Justice contracts with privately operated criminal detention facilities. Two agencies of the DOJ, the BOP and USMS, utilize our services. The BOP houses inmates who have been convicted, and the USMS is generally responsible for detainees who are awaiting trial. As a result of the Executive Order, the majority of our contracts with the BOP have not been renewed. With respect to the USMS, it may determine to conduct a review of the possible application of the Executive Order on their facilities acquired primarily through intergovernmental agreements, and to a lesser extent, direct contracts. President Biden's administration may implement further executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government's use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including ICE.

Various state partners have or may choose in the future to undertake a review of their utilization of public-private partnerships. For example, California enacted legislation aimed at phasing out public-private partnership contracts for the operation of secure facilities within California and facilities outside of the state of California housing state of California inmates. Additionally, we have public-private partnership contracts in place with ICE, the BOP and the U.S. Marshals Service relating to facilities located in California. As we previously disclosed, our contract for our Central Valley facility was discontinued by the State of California at the end of September 2019, and our two other California secure facility contracts for our Desert View and Golden State Facilities expired during 2020. During the fourth quarter of 2019, we signed two 15-year contracts with ICE for five company-owned facilities in California totaling 4,490 beds and a managed-only contract with the U.S. Marshals Service for the government-owned, 512-bed El Centro Service Processing Center in California. Although these contracts were entered into prior to January 1, 2020, the effective date of the legislation, we cannot assure you that there will not be public resistance to the implementation of these contracts, including litigation that may result in increased legal fees and costs. Additionally, we and the U.S. Department of Justice filed separate legal actions challenging the constitutionality of the attempted ban on new federal contracts entered into after the effective date of the California law. On October 5, 2021, the Ninth Circuit Court of Appeals reversed a prior U.S. District Court decision dismissing the requests by GEO and the United States for declaratory and injunctive relief and ruled that AB32 conflicts with federal law in violation of the Supremacy Clause of the U.S. Constitution and discriminates against the federal government in violation of the intergovernmental immunity doctrine. Currently, the State of Washington has proposed legislation similar to the California law. GEO's contract for the company-owned 1,575-bed Northwest ICE Processing Center in Washington has a renewal option period that expires in 2025. The facility generates approximately \$64 million in annualized revenues for GEO. Delaware County, Pennsylvania has also announced its intention to take over the management of GEO's managed-only contract for the 1,883-bed George W. Hill Correctional Facility located in Thornton, Pennsylvania effective April 2022. The Pennsylvania facility generates approximately \$46 million in annualized revenue for GEO.

In addition, the movement toward using public-private partnerships for such facilities and centers has encountered resistance from groups which believe that such facilities and centers should only be operated by governmental agencies. For example, several financial institutions, including some of our lenders, have announced that they will not be renewing existing agreements or entering into new agreements with companies that operate such facilities and centers pursuant to public-private partnerships. Some of these same institutions have ceased their equity analyst coverage of our company. Proposed and future legislation could indirectly impose additional financial restrictions with respect to our business. As an example, New York State Senate Bill S5433A that passed the state senate in February 2020 and is currently in front of the Assembly Banks Committee prohibits New York state chartered banking institutions from investing in and providing financing for privately operated secure facilities. If this bill is ultimately signed into law by the New York governor, certain banks may be restricted from conducting financing activities with us and the secure services sector generally. This bill or any similar bills, regulations and laws that may be proposed in the future may be subject to legal actions and the resolution of such legal actions may take several years, making it difficult to anticipate the overall financial impact on us, our business, financial condition or results of operations. If other financial institutions or third parties that currently provide us with financing or that we do business with decide in the future to cease providing us with financing or doing business with us, such determinations could have a material adverse effect on our business, financial condition and results of operations.

Increased public and political opposition to the use of public-private partnerships for our facilities and centers in any of the markets in which we operate, as a result of these or other factors, could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities.

## Risks Related to Our High Level of Indebtedness

*Our level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our debt service obligations.*

We have a significant amount of indebtedness. Our total consolidated indebtedness as of December 31, 2021 and 2020 was approximately \$2.7 billion and \$2.6 billion, respectively, excluding non-recourse debt of \$310.0 million and \$344.6 million, respectively, and finance lease obligations of \$3.8 million and \$5.0 million, respectively. As of December 31, 2021 and 2020, we had \$95.8 million and \$59.6 million, respectively, outstanding in letters of credit and \$784.9 million and \$704.4 million, respectively, in borrowings outstanding under our revolver. As of December 31, 2021, we had the ability to borrow \$19.3 million under our revolver, after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under our senior credit facility with respect to the incurrence of additional indebtedness. At December 31, 2021, we also had approximately AUD 59 million in letters of credit outstanding under our Australian letter of credit facility in connection with certain performance guarantees related to the Ravenhall Prison Project. We also have the ability to increase our senior credit facility by an additional \$450 million, subject to lender demand and prevailing market conditions and satisfying the relevant borrowing conditions.

Our substantial indebtedness could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our senior notes and our other debt and liabilities;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, and other general corporate purposes ;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- increase our vulnerability to adverse economic and industry conditions;
- place us at a competitive disadvantage compared to competitors that may be less leveraged;
- restrict us from pursuing strategic acquisitions or exploiting certain business opportunities;
- limit our ability to borrow additional funds or refinance existing indebtedness on favorable terms; and
- require us to sell assets or take other actions to service our debt obligations.

If we are unable to meet our debt service obligations, we may need to reduce capital expenditures, restructure or refinance our indebtedness, obtain additional equity financing or sell assets. The term loan under our senior credit facility matures in March 2024 and the revolver under our senior credit facility matures in May 2024. Additionally, our outstanding four series of senior notes mature in April 2023, October 2024, February 2026 and April 2026. Beginning in 2019, several financial institutions, including some of our lenders, announced that they will not be renewing existing agreements or entering into new agreements with companies that operate secure services facilities and centers pursuant to public-private partnerships. We may not continue to have access to the debt and capital markets on a cost-effective basis, or at all. For example, six of the 65 lenders in our lending syndicate have indicated that they will not renew their lending commitments to us when such commitments expire in 2024 because we are a private operator of secure correctional and detention facilities, processing centers, and reentry centers. These six banks represent 54% of the lending commitments under the revolver component of our senior credit facility. Certain lenders also have publicly disclosed that they will no longer loan money to one of our key competitors. Reasons for this limited accessibility include that financial institutions may be unwilling to engage with us. This may restrict our access to the debt and capital markets to support our operations or refinance our indebtedness, including by obtaining debt financing, equity financing or selling assets on satisfactory terms, or at all. This could materially increase the cost of capital and as a result have a material adverse effect on our business, financial condition and results of operations. In addition, our ability to incur additional indebtedness will be restricted by the terms of our senior credit facility, and the indentures governing our 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes, and the 5.875% Senior Notes.

During November 2021, we began to engage in confidential discussions with certain members of an ad hoc group of noteholders, lenders under our terms loans, and the administrative agent and certain lenders that have provided revolving credit loans and commitments under our credit facility concerning a potential refinancing, exchange, recapitalization, or other transaction or series of transactions to reduce our funded recourse debt and address our nearer term maturities. As of the date of filing this Form 10-K, we have not reached agreement with such noteholders and lenders with respect to the material terms of a potential transaction or transactions. We anticipate continuing these discussions with the goal of reaching an agreement on a potential transaction or transactions but we cannot guarantee that we will be successful in reaching an agreement on a potential transaction or transactions and successfully closing on such agreement on commercially reasonable terms or within the timeline we desire. In addition, we are continuing to actively examine other options to address our funded recourse debt and our nearer term maturities, including but not limited to, capital markets transactions, repurchases, redemptions exchanges, refinancings, repayments of existing indebtedness, and/or potential sales of additional Company-owned assets, but we cannot guarantee that such

opportunities will be available or that we will be successful in capitalizing on such opportunities on commercially reasonable terms or within the timeline we desire.

***We are incurring significant indebtedness in connection with substantial ongoing capital expenditures. Capital expenditures for existing and future projects may materially strain our liquidity.***

We currently have several active projects that we anticipate spending approximately \$76 to \$79 million on capital expenditures in 2022. Included in these projects are planned expenditures in our Electronic Monitoring and Supervision Services segment related to technology including approximately \$10 million for the transition from Code Division Multiple Access (CDMA) to Long Term Evolution (LTE) technology. Of these projects we estimate that \$31 to \$32 million are related to facility maintenance costs. We intend to finance these and future projects using our own funds, including cash on hand, cash flow from operations and borrowings under the revolver. In addition to these current estimated capital requirements for 2022, we are currently in the process of bidding on, or evaluating potential bids for the design, construction and management of a number of new projects. In the event that we win bids for these projects and decide to self-finance their construction, our capital requirements in 2022 could materially increase. As of December 31, 2021, we had the ability to borrow \$19.3 million under the revolver after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under the senior credit facility. In addition, we have the ability to increase the senior credit facility by an additional \$450 million, subject to lender demand and prevailing market conditions and satisfying the relevant borrowing conditions thereunder. While we believe we currently have adequate borrowing capacity under our senior credit facility to fund our operations and all of our committed capital expenditure projects, we may need additional borrowings or financing from other sources in order to complete potential capital expenditures related to new projects in the future. We cannot assure you that such borrowings or financing will be made available to us on satisfactory terms, or at all. In addition, the large capital commitments that these projects will require over the next 12-18 month period may materially strain our liquidity and our borrowing capacity for other purposes. Capital constraints caused by these projects may also cause us to have to entirely refinance our existing indebtedness or incur more indebtedness. Such financing may have terms less favorable than those we currently have in place, or not be available to us at all. In addition, the concurrent development of these and other large capital projects exposes us to material risks. For example, we may not complete some or all of the projects on time or on budget, which could cause us to absorb any losses associated with any delays.

***Despite current indebtedness levels, we may still incur more indebtedness, which could further exacerbate the risks described above.***

The terms of the indentures governing the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes and our senior credit facility restrict our ability to incur, but do not prohibit us from incurring, significant additional indebtedness in the future. As of December 31, 2021, we had the ability to borrow an additional \$19.3 million under the revolver portion of our senior credit facility after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under the senior credit facility. We also would have the ability to increase the senior credit facility by an additional \$450 million, subject to lender demand, prevailing market conditions and satisfying relevant borrowing conditions. Also, we may refinance all or a portion of our indebtedness, including borrowings under our senior credit facility, the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes. The terms of such refinancing may be less restrictive and permit us to incur more indebtedness than we can now. If new indebtedness is added to our and our subsidiaries' current debt levels, the related risks that we and they now face related to our significant level of indebtedness could intensify.

***Our borrowing costs and access to capital and credit markets could be adversely affected by a downgrade or potential downgrade of our credit ratings.***

Rating agencies routinely evaluate us, and their ratings of our long-term and short-term debt are based upon a number of factors, including our cash generating capability, levels of indebtedness, policies with respect to shareholder distributions and financial strength generally, as well as factors beyond our control, such as the then-current state of the economy and our industry generally. Any downgrade of our credit ratings by a credit rating agency, whether as a result of our actions or factors which are beyond our control, can increase our future borrowing costs, impair our ability to access capital and credit markets on terms commercially acceptable to us or at all and result in a reduction in our liquidity. Our borrowing costs and access to capital markets also can be adversely affected if a credit rating agency announces that our ratings are under review for a potential downgrade. In March 2021, Moody's Investors Service downgraded our issuer rating to B2 and in May 2021, Standard's & Poor's S&P Global downgraded our issuer rating to CCC+. An increase in our borrowing costs, limitations on our ability to access the global capital and credit markets or a reduction in our liquidity can adversely affect our financial condition, results of operations and cash flows.

***The covenants in the indentures governing the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes and the covenants in our Senior Credit Facility impose significant operating and financial restrictions which may adversely affect our ability to operate our business.***

The indentures governing the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes and our Senior Credit Facility impose significant operating and financial restrictions on us and certain of our subsidiaries, which we refer to as restricted subsidiaries. These restrictions limit our ability to, among other things:

- incur additional indebtedness;
- pay dividends and or distributions on our capital stock, repurchase, redeem or retire our capital stock, prepay subordinated indebtedness, make investments;
- issue preferred stock of subsidiaries;
- guarantee other indebtedness;
- create liens on our assets;
- transfer and sell assets;
- make capital expenditures above certain limits;
- create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;
- enter into sale/leaseback transactions;
- enter into transactions with affiliates; and
- merge or consolidate with another company or sell all or substantially all of our assets.

These restrictions could limit our ability to finance our future operations or capital needs, make acquisitions or pursue available business opportunities. In addition, our Senior Credit Facility requires us to maintain specified financial ratios and satisfy certain financial covenants, including maintaining a maximum senior secured leverage ratio and total leverage ratio, and a minimum interest coverage ratio. We may be required to take action to reduce our indebtedness or to act in a manner contrary to our business objectives to meet these ratios and satisfy these covenants. We could also incur additional indebtedness having even more restrictive covenants. Our failure to comply with any of the covenants under our Senior Credit Facility, the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes, the 5.875% Senior Notes, or any other indebtedness could prevent us from being able to draw on the Revolver, cause an event of default under such documents and result in an acceleration of all of our outstanding indebtedness. If all of our outstanding indebtedness were to be accelerated, we likely would not be able to simultaneously satisfy all of our obligations under such indebtedness, which would materially adversely affect our financial condition and results of operations.

***Servicing our indebtedness will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control and we may not be able to generate the cash required to service our indebtedness.***

Our ability to make payments on our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Our business may not be able to generate sufficient cash flow from operations or future borrowings may not be available to us under our senior credit facility or otherwise in an amount sufficient to enable us to pay our indebtedness or debt securities, including the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes, or to fund our other liquidity needs. As a result, we may need to refinance all or a portion of our indebtedness on or before maturity. However, we may not be able to complete such refinancing on commercially reasonable terms or at all. For example, six of the 65 lenders in our lending syndicate have indicated that they will not renew their lending commitments to us when such commitments expire in 2024 because we are a private operator of secure correctional and detention facilities, processing centers, and reentry centers. These six banks represent 54% of the lending commitments under the revolver component of our senior credit facility. Certain lenders also have publicly disclosed that they will no longer loan money to one of our key competitors. If for any reason we are unable to meet our debt service obligations, we would be in default under the terms of the agreements governing our outstanding debt. If such a default were to occur, the lenders under the Senior Credit Facility, and holders of the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes could elect to declare all amounts outstanding immediately due and payable, and the lenders would not be obligated to continue to advance funds under the Senior Credit Facility. If the amounts outstanding under the Senior Credit Facility or other agreements governing our outstanding debt, were accelerated, our assets may not be sufficient to repay in full the money owed to our lenders and holders of the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes and any other debt holders.

***Because portions of our senior indebtedness have floating interest rates, a general increase in interest rates would adversely affect cash flows.***

Borrowings under our Senior Credit Facility bear interest at a variable rate using a spread over, at our election, either LIBOR or an alternative base rate. As a result, to the extent our exposure to increases in interest rates is not eliminated through interest rate protection agreements, such increases will result in higher debt service costs which will adversely affect our cash flows. We currently do not have interest rate protection agreements in place to protect against interest rate fluctuations on borrowings under our senior credit facility. As of December 31, 2021, we had \$1,546.9 million of indebtedness outstanding under our Senior Credit Facility, and a one percent increase in the interest rate applicable to our Senior Credit Facility would increase our annual interest expense by approximately \$15 million.

Additionally, on July 27, 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced that it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021 and it is unclear whether new methods of calculating LIBOR will be established. If LIBOR ceases to exist, our borrowings will bear interest at an alternative base rate plus a spread, and our ability to borrow in currencies other than U.S. dollars will be limited, in each case until such a time as a comparable or successor reference rate for LIBOR is approved by the administrative agent, or agreed to by the Company and the lenders under our Senior Credit Facility. However, for U.S. dollar LIBOR, the relevant date was deferred to June 30, 2023 for certain tenors (including overnight and one, three, six and 12 months), at which time the LIBOR administrator will cease publication of U.S. dollar LIBOR. Despite this deferral, the LIBOR administrator has advised that no new contracts using U.S. dollar LIBOR should be entered into after December 31, 2021. These actions indicate that the continuation of U.S. LIBOR on the current basis cannot be guaranteed after June 30, 2023. Moreover, it is possible that U.S. LIBOR will be discontinued or modified prior to June 30, 2023. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee consisting of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with the Secured Overnight Financing Rate (SOFR), a new index calculated with a broad set of short-term repurchase agreements backed by treasury securities. It is not possible to predict the effect of these changes, other reforms or the establishment of alternative reference rates in the United States or elsewhere. To the extent these interest rates increase, our interest expense will increase, which could adversely affect our financial condition, operating results and cash flows.

***We depend on distributions from our subsidiaries to make payments on our indebtedness. These distributions may not be made.***

A substantial portion of our business is conducted by our subsidiaries. Therefore, our ability to meet our payment obligations on our indebtedness is substantially dependent on the earnings of certain of our subsidiaries and the payment of funds to us by our subsidiaries as dividends, loans, advances or other payments. Our subsidiaries are separate and distinct legal entities and, unless they expressly guarantee any indebtedness of ours, they are not obligated to make funds available for payment of our indebtedness in the form of loans, distributions or otherwise. Our subsidiaries' ability to make any such loans, distributions or other payments to us will depend on their earnings, business results, the terms of their existing and any future indebtedness, tax considerations and legal or contractual restrictions to which they may be subject. If our subsidiaries do not make such payments to us, our ability to repay our indebtedness may be materially adversely affected. For the year ended December 31, 2021, our subsidiaries accounted for 54.6% of our consolidated revenues, and as of December 31, 2021, our subsidiaries accounted for 93.2 % of our total assets.

***We may not be able to satisfy our repurchase obligations in the event of a change of control or fundamental change because the terms of our indebtedness or lack of funds may prevent us from doing so.***

Upon a change of control as specified in the indentures governing the terms of our senior notes, each holder of the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes will have the right to require us to repurchase their notes at 101% of their principal amount, plus accrued and unpaid interest, and liquidated damages, if any, to the date of repurchase. Upon a fundamental change as specified in the indenture governing the terms of the 6.50% Exchangeable Senior Notes, each holder of the 6.50% Exchangeable Senior Notes will have the right to require us to purchase for cash any or all of their notes at a purchase price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest. In addition, upon exchange of the 6.50% Exchangeable Senior Notes, we may be required to make cash payments in respect of the notes being exchanged. The terms of the Senior Credit Facility limit our ability to repurchase the notes in the event of a change of control or fundamental change. Any future agreement governing any of our indebtedness may contain similar restrictions and provisions. Accordingly, it is possible that restrictions in the Senior Credit Facility or other indebtedness that may be incurred in the future will not allow the required repurchase of the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes upon a change of control or fundamental change. Even if such repurchase is permitted by the terms of our then existing indebtedness, we may not have sufficient funds available to satisfy our repurchase obligations. Our failure to purchase any of the senior notes would be a default under the indenture governing such notes, which in turn would trigger a default under the Senior Credit Facility and the indentures governing the other senior notes.

***The conditional exchange features of the 6.5% Exchangeable Senior Notes, if triggered, may adversely affect our financial condition.***

If one of the exchange contingencies of the 6.5% Exchangeable Senior Notes (the "Convertible Notes") is triggered, holders of the Convertible Notes will be entitled to exchange the Convertible Notes at any time during specified periods. If one or more holders elect to exchange their Convertible Notes, we would be required to settle a portion of or all of our exchange obligation through the payment of cash, which could adversely affect our liquidity and various aspects of our business (including our credit ratings and the trading price of the Convertible Notes). In addition, even if holders do not elect to exchange their Convertible Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Convertible Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

## Risks Related to COVID-19 and its Impact on our Business

*The current pandemic of the novel coronavirus, or COVID-19, has and we expect it will continue to adversely impact and disrupt our business, and such impacts may have a material adverse effect on our results of operations, financial condition and liquidity.*

Since being reported in December 2019, COVID-19 has spread globally, including to every state in the United States. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020, the United States declared a national emergency with respect to COVID-19.

Most of our facilities have experienced cases of COVID-19 in both our staff and individuals entrusted to our care. We have taken a number of comprehensive steps and measures to mitigate the transmission and risks of COVID-19 which we have outlined in our annual report on Form 10-K for the year ended December 31, 2021. This includes issuing guidance to all of our facilities that is consistent with the guidance issued for correctional and detention facilities by the Centers for Disease Control and Prevention; as the guidance has evolved updating our policies and procedures to include best practices for the prevention, assessment, and management of COVID-19, the implementation of quarantine and cohorting procedures to isolate confirmed and presumptive cases of COVID-19; ordering and receiving COVID-19 swab kits; purchasing and distributing personal protective equipment, including facemasks to all staff and individuals in our care at our facilities; increasing the frequency of distribution of personal hygiene products, including soap, shampoo and body wash and tissue paper; and administering COVID-19 vaccines and boosters in accordance with applicable guidelines on vaccine and booster distribution. We will continue to evaluate and refine these steps and measures as appropriate and necessary based on updated guidance by the CDC and best practices. Additionally, we have increased our spending on personal protective equipment, diagnostic testing, medical expenses, temperature scanners, protective plexiglass barriers and increased sanitation as a result of COVID-19. However, these steps and measures as well as the implementation of the COVID-19 vaccine and booster roll-out in the jurisdictions we operate in and the ultimate effectiveness of the COVID-19 vaccine and boosters may prove to be insufficient in stopping or slowing the transmission of COVID-19 and the risks it poses to our staff and individuals entrusted to our care or may result in us spending more in additional expenditures than currently contemplated. If we were to be unable to fully staff our secure facilities, processing centers and community reentry centers due to confirmed or suspected COVID-19 cases, it could result in negative consequences, including fines, other penalties, or contract cancellations. Additionally, our government partners could require us to transfer inmates or detainees to other facilities in the event of a COVID-19 outbreak at one of our facilities.

Certain states and cities in the U.S. have also responded to COVID-19 by instituting quarantines, restrictions on travel, “shelter in place” rules, and restrictions on types of businesses that may continue to operate. As a result, the COVID-19 pandemic is negatively impacting almost every industry directly or indirectly. Even though we have continued our operations as an essential government service provider, in early 2020, we began to observe negative impacts from the pandemic on our performance in our secure services business as a result of declines in crossings and apprehensions along the Southwest border, a decrease in court sentencing at the federal level and reduced operational capacity to promote social distancing protocols. In addition to court mandates related to COVID-19 that limit capacity utilization at certain facilities, a driver of low utilization across ICE facilities have been the Title 42 COVID-19 related restrictions that have been in place at the Southwest border since March 2020. Additionally, our reentry services business conducted through our Reentry Services business segment has also been negatively impacted, specifically our residential reentry centers were impacted due to lower levels of referrals by federal, state and local agencies. Throughout the pandemic, new intake at residential reentry centers have significantly slowed down as governmental agencies across the country have opted for non-residential alternatives, including furloughs, home confinement and day reporting. We expect that the COVID-19 pandemic will continue to have an impact on our populations for at least part of 2022, depending on various factors. While we experienced a significant increase in COVID-19 cases in the early part of 2022, consistent with the spread of the Omicron variant across the country, we are currently seeing a significant decline in cases among our staff and the individuals in our care. It is possible that government agencies, which may include our government partners, could release certain inmates and detainees from secure facilities, processing centers and community reentry centers, which could reduce the utilization of our facilities and our services. The BOP and or other government agencies may choose to evaluate their future capacity needs, not renew or rebid existing contracts or to seek contract modifications or contract terminations due to lower occupancies or for cost-cutting purposes due to the COVID-19 pandemic.

The effects of COVID-19 on our business, as well as actions we have taken or may take, or decisions we have made or may make, as a consequence of COVID-19, may result in legal claims or litigation against us. Litigation can be costly, regardless of the outcome. Any financial liability, litigation costs or reputational damage caused by COVID-19 related litigation could have a material adverse impact on our business, financial condition and results of operations.

The COVID-19 pandemic has had repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including the United States, has significantly adversely impacted global economic activity and has contributed to significant volatility and negative pressure in financial markets. Currently, the capital markets and credit markets have been disrupted by the COVID-19 pandemic and our ability to obtain any additional financing on favorable terms, or at all, is not guaranteed and largely dependent upon evolving market conditions and other factors. Depending on the magnitude and duration of the COVID-19 pandemic, the adverse impact of the COVID-19 pandemic on our business, results of operations, financial condition and liquidity could be material. Even when the COVID-



19 pandemic has subsided, we may continue to experience significant adverse effects to our business as a result of its global economic impact, including any economic recession or downturn and the possibility this will result in government budgetary constraints or any changes to a government's willingness to maintain or grow public-private partnerships in the future.

### **Risks Related to Our Business and Services**

***We partner with a limited number of governmental customers who account for a significant portion of our revenues. The loss of, or a significant decrease in revenues from, these customers could seriously harm our financial condition and results of operations.***

We currently derive, and expect to continue to derive, a significant portion of our revenues from a limited number of governmental agencies. Of our governmental partners, three federal governmental agencies with correctional and detention responsibilities, the BOP, ICE, and the U.S. Marshals Service, accounted for 57.5% and 55.0% of our total consolidated revenues for the year ended December 31, 2021 and 2020, respectively, through multiple individual contracts, with the BOP accounting for 8.6% and 14.0% of our total consolidated revenues for 2021 and 2020, respectively, ICE accounting for 33.1% and 28.2% of our total consolidated revenues for 2021 and 2020, respectively, and the U.S. Marshals Service accounting for 15.9% and 12.7% of our total consolidated revenues for 2021 and 2020, respectively. However, no individual contract with these clients accounted for more than 10.0% of our total consolidated revenues for 2021. Government agencies from the State of Florida accounted for approximately 5% of our total consolidated revenues for the year ended December 31, 2021 through multiple individual contracts.

Our contracts with the BOP for our company-owned 1,900 bed D Ray James Correctional Facility in Folkston, Georgia expired on January 31, 2021, for our company-owned, 1,450-bed Rivers Correctional Facility in North Carolina expired on March 31, 2021, for our 1,878-bed Moshannon Valley Correctional Facility in Pennsylvania expired on March 31, 2021, for our county managed 1,800-bed Reeves County Detention Center I & II in Reeves County, Texas was terminated effective May 10, 2021, and for our company-owned 1,940-bed Great Plains Correctional Facility in Hinton, Oklahoma expired on May 31, 2021. The D Ray James Correctional Facility, Rivers Correctional Facility, Moshannon Valley Correctional Facility, Reeves County Detention Center I & II and Great Plains Correctional Facility generated approximately \$60 million, \$43 million, \$42 million, \$4 million, and \$35 million, respectively, in annualized revenues for GEO. We were notified in August 2021 that the BOP has decided to not exercise the contract renewal option for our company-owned 1,732-bed Big Spring Correctional Facility and our company-owned 1,800-bed Flightline Correctional Facility when those contracts expire on November 30, 2022. The Big Spring Correctional Facility and Flightline Correctional Facility generated approximately \$33 million and \$35 million, respectively. Our company-owned Northlake 1,800-bed Correctional Facility and our county managed Reeves County 1,376-bed Detention Center III are up for renewal on September 30, 2022 and June 30, 2022, respectively. The Northlake Correctional Facility and Reeves County Detention Center III generate approximately \$35 million and \$3 million respectively, in annualized revenues for GEO.

Our contract with the USMS for the company-owned Queens Detention Facility in New York expired on March 31, 2021. The Queens Detention Facility generated approximately \$18 million in annualized revenues. Effective October 1, 2021, we entered into a six-month contract extension with the USMS for the 770-bed Western Region Detention Facility in California. The contract with the USMS was operating under a two-year option period which was scheduled to end on September 30, 2021.

As of December 31, 2021, GEO has one company-owned facility under direct contract with the BOP, which has a current contract option period that expires on September 30, 2022, and three company-owned/company-leased facilities under direct contracts with USMS, which have current contract option periods that expire between March 31, 2022 and September 30, 2023. These facilities combined represented approximately 8% of our revenues for the year ended December 31, 2021.

Our revenues depend on our governmental customers receiving sufficient funding and providing us with timely payment under the terms of our contracts. If the applicable governmental customers do not receive sufficient appropriations to cover their contractual obligations, they may delay or reduce payment to us or terminate their contracts with us. With respect to our federal government customers, any future impasse or struggle impacting the federal government's ability to reach agreement on the federal budget, debt ceiling or any future federal government shut-downs could result in material payment delays, payment reductions or contract terminations. Additionally, our governmental customers may request in the future that we reduce our per diem contract rates or forego increases to those rates as a way for those governmental customers to control their spending and address their budgetary shortfalls.

Our governmental customers may also from time to time adopt, implement or modify certain policies or directives that may adversely affect our business. Our federal, state or local governmental partners may in the future choose to undertake a review of their utilization of public-private partnerships, or may re-negotiate, cancel or decide not to renew our existing contracts with them. For example, on January 26, 2021, President Biden signed an Executive Order directing the United States Attorney General not to renew Department of Justice contracts with privately operated criminal detention facilities. President Biden's administration may implement further executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government's use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including ICE. Various state partners have or may choose in the future to undertake a review of their

utilization of public-private partnerships. For example, during the fourth quarter of 2019, the State of California enacted legislation that became effective on January 1, 2020 aimed at phasing out public-private partnership contracts for the operation of secure facilities within California and facilities outside of the State of California housing State of California inmates. Prior to such legislation, the State of California was among our top 10 customers relating to our owned and leased facilities. Additionally, we have public-private partnership contracts in place with ICE, the BOP and the U.S. Marshals Service relating to facilities located in California. As we previously disclosed, our contract for our Central Valley facility was discontinued by the State of California at the end of September 2019, and our two other California secure facility contracts for our Desert View and Golden State Facilities expired during 2020. During the fourth quarter of 2019, we signed two 15-year contracts with ICE for five company-owned facilities in California totaling 4,490 beds and a managed-only contract with the U.S. Marshals Service for the government-owned, 512-bed El Centro Service Processing Center in California. Although these contracts were entered into prior to January 1, 2020, we cannot assure you that there will not be public resistance to the implementation of these contracts, including litigation which may result in increased legal fees and costs. Additionally, we and the U.S. Department of Justice have filed separate legal actions challenging the constitutionality of the attempted ban on new federal contracts entered into after the effective date of the California law. On October 5, 2021, the Ninth Circuit Court of Appeals reversed a prior U.S. District Court decision dismissing the requests by GEO and the United States for declaratory and injunctive relief and ruled that AB32 conflicts with federal law in violation of the Supremacy Clause of the U.S. Constitution and discriminates against the federal government in violation of the intergovernmental immunity doctrine. Currently, the State of Arizona, the State of New Mexico and the State of Washington have proposed legislation similar to the California law. Delaware County, Pennsylvania has also announced its intention to take over the management of GEO's managed-only contract for the 1,883-bed George W. Hill Correctional facility located in Thornton, Pennsylvania effective April 2022. The Pennsylvania facility generates approximately \$46 million in annualized revenue for GEO.

The loss of, or a significant decrease in, our current contracts with the BOP, ICE, the U.S. Marshals Service, the State of Florida or any other significant customers could seriously harm our financial condition and results of operations. We expect these federal and state agencies and a relatively small group of other governmental customers to continue to account for a significant percentage of our revenues.

***Fluctuations in occupancy levels could cause a decrease in revenues and profitability.***

While a substantial portion of our cost structure is generally fixed, most of our revenues are generated under facility management contracts which provide for per diem payments based upon daily occupancy. Several of these contracts provide fixed-price payments that cover a portion, or all of our fixed costs based on a guaranteed minimum level of occupancy regardless of the actual level of occupancy. During the pandemic, we have received these fixed-price payments at a number of our facilities where the actual level of occupancy was below the guaranteed minimum level of occupancy and as a result those facilities experienced a greater amount of profitability. If the levels of occupancy at the facilities subject to a guaranteed minimum level of occupancy were to increase, our costs may increase and therefore result in a decreased amount of profitability at these facilities with guaranteed minimum level of occupancy. However, many of our contracts have no fixed-price payments and simply provide for a per diem payment based on actual occupancy. As a result, with respect to our contracts that have no fixed-price payments, we are highly dependent upon the governmental agencies with which we have contracts to utilize our facilities. Under a per diem rate structure, a decrease in our utilization rates could cause a decrease in revenues and profitability. When combined with relatively fixed costs for operating each facility, regardless of the occupancy level, material fluctuations in occupancy levels at one or more of our facilities could have a material adverse effect on our revenues and profitability, and consequently, on our financial condition and/or results of operations.

***State budgetary constraints may have a material adverse impact on us.***

Long-running pressure on state budgets had eased in prior years amid widespread economic growth and tax revenue gains that resulted in the first budget surpluses in years for many states. The COVID-19 pandemic adversely impacted the economic expansion and budget surpluses enjoyed by numerous states. Still, some states were in a stronger position than others as they began to experience a public health emergency and their greatest fiscal and economic tests since the Great Recession of 2007-09. As of December 31, 2021, GEO had the following state clients: Florida, Georgia, Virginia, Indiana, Oklahoma, Alabama, New Jersey, New Mexico, Alaska, Arizona, Pennsylvania, Wyoming and Texas. If state budgetary conditions deteriorate, our 13 state customers' ability to pay us may be impaired and/or we may be forced to renegotiate our management contracts with those customers on less favorable terms and our financial condition, results of operations or cash flows could be materially adversely impacted. In addition, budgetary constraints in states that are not our current customers could prevent those states from using public-private partnerships for secure facilities, processing centers or community based service opportunities that we otherwise could have pursued.

***From time to time, we may not have a management contract with a client to operate existing beds at a facility or new beds at a facility that we are expanding and we cannot assure you that such a contract will be obtained. Failure to obtain a management contract for these beds will subject us to carrying costs with no corresponding management revenue.***

From time to time, we may not have a management contract with a customer to operate existing beds or new beds at facilities that we are currently in the process of renovating and expanding. While we will always strive to work diligently with a number of different customers for the use of these beds, we cannot assure you that a contract for the beds will be secured on a timely basis, or at all. While a facility or new beds at a facility are vacant, we incur carrying costs. In our U.S. Secure Services segment, as of December 31, 2021, we were marketing 9,812 vacant beds with a net book value of approximately \$256.4 million at seven of our idle facilities to potential customers. In our Reentry Services

segment, as of December 31, 2021, we were marketing 1,100 vacant beds with a net book value of approximately \$25.3 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2022 is estimated to be \$22.0 million, including depreciation expense of \$12.7 million. Failure to secure a management contract for a facility or expansion project could have a material adverse impact on our financial condition, results of operations and/or cash flows. We review our facilities for impairment whenever events or changes in circumstances indicate the net book value of the facility may not be recoverable. Impairment charges taken on our facilities could require material charges to our results of operations. In addition, in order to secure a management contract for these beds, we may need to incur significant capital expenditures to renovate or further expand the facility to meet potential clients' needs.

***We are subject to the loss of our facility management contracts, due to terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers.***

We are exposed to the risk that we may lose our facility management contracts primarily due to one of three reasons: (i) the termination by a government customer with or without cause at any time; (ii) the failure by a customer to exercise its unilateral option to renew a contract with us upon the expiration of the then current term; or (iii) our failure to win the right to continue to operate under a contract that has been competitively re-bid in a procurement process upon its termination or expiration. Our facility management contracts typically allow a contracting governmental agency to terminate a contract with or without cause at any time by giving us written notice ranging from 30 to 180 days. If government agencies were to use these provisions to terminate, or renegotiate the terms of their agreements with us, our financial condition and results of operations could be materially adversely affected.

As of December 31, 2021, 19 of our facility management contracts were subject to competitive re-bid in 2022. These contracts in the aggregate represented 7% and approximately \$158 million of our 2021 consolidated revenues. We cannot in fact assure you that we will prevail in future re-bid situations or that any competitive re-bids we win will be on terms more favorable to us than those in existence with respect to the applicable expiring contract.

Our federal, state or local governmental partners may in the future choose to undertake a review of their utilization of public-private partnerships, or may re-negotiate, cancel or decide not to renew our existing contracts with them. For example, on January 26, 2021, President Biden signed an Executive Order directing the United States Attorney General not to renew Department of Justice contracts with privately operated criminal detention facilities. President Biden's administration or a future administration may implement further executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government's use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including ICE.

Our contract with the BOP for our company-owned, 1,450-bed Rivers Correctional Facility ended on March 31, 2021 and in the fourth quarter of 2020 we were notified by the BOP that it has decided not to rebid the contract. In June 2020, we were also notified that the BOP will not be resoliciting the 1,900 beds at our company-owned D Ray James Correctional Facility in Folkston, Georgia and as a result our contract expired on January 31, 2021. In the first quarter of 2021, we were notified by the BOP that it has decided not to exercise the contract renewal option for the Moshannon Valley Correctional Facility in Pennsylvania when the contract base period expired on March 31, 2021. The Rivers Correctional Facility, D Ray James Correctional Facility and Moshannon Valley Correctional Facility generated approximately \$43 million, \$60 million, and \$42 million, respectively, in annualized revenues for GEO. Lastly, our contracts with the BOP for our company-owned Great Plains 1,940-bed Correctional Facility, our company-owned Big Spring 1,732-bed Correctional Facility, our company-owned 1,800-bed Flightline Correctional Facility, our company-owned Northlake 1,800-bed Correctional Facility, our county managed Reeves County 1,800-bed Detention Center I & II, and our county managed Reeves County 1,376-bed Detention Center III are/were up for renewal on May 31, 2021, November 30, 2021, September 30, 2022, September 30, 2022 and June 30, 2022, respectively. The Great Plains, Big Springs, Flightline and Reeves I & II contracts were not renewed and we expect that the contracts at Northlake and Reeves III may not be renewed as a result of the Executive Order discussed above. The Great Plains, Big Spring, Flightline, Northlake Correctional Facilities, Reeves County Detention Center I & II and Reeves County Detention Center III generate approximately \$35 million, \$33 million, \$35 million, \$35 million, \$4 million and \$3 million respectively, in annualized revenues for GEO. For additional information on facility management contracts that we currently believe will be competitively re-bid during each of the next five years and thereafter, please see "Business — Government Contracts — Terminations, Renewals and Competitive Re-bids". The loss by us of facility management contracts due to terminations, non-renewals or competitive re-bids could materially adversely affect our financial condition, results of operations and/or liquidity, including our ability to secure new facility management contracts from other government customers.

***Our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers and community based facilities and to secure contracts to provide electronic monitoring services, community-based reentry services and monitoring and supervision services, the demand for which is outside our control.***

Our growth is primarily dependent upon our ability to obtain new contracts to develop and/or manage secure, processing, and community based facilities under public-private partnerships. Additionally, our growth is generally dependent upon our ability to obtain new contracts to offer electronic monitoring services, provide community-based reentry services and provide monitoring and supervision services.

Demand for new public-private partnership facilities in our areas of operation may decrease and our potential for growth will depend on a number of factors we cannot control, including overall economic conditions, governmental and public acceptance of public-private partnerships, government budgetary constraints, and the number of facilities available for public-private partnerships.

In particular, the demand for our secure facility and processing center services, electronic monitoring services, community-based reentry services and monitoring and supervision services could be affected by changes in existing policies which adversely impact the need for and acceptance of public-private partnerships across the spectrum of services we provide. Various factors outside our control could adversely impact the growth of our Reentry Services business, including government customer resistance to the public-private partnerships for residential community based facilities, and changes to Medicaid and similar reimbursement programs.

***We may not be able to meet state requirements for capital investment or locate land for the development of new facilities, which could adversely affect our results of operations and future growth.***

Certain jurisdictions have in the past required successful bidders to make a significant capital investment in connection with the financing of a particular project. If this trend were to continue in the future, we may not be able to obtain sufficient capital resources when needed to compete effectively for facility management contracts. Additionally, our success in obtaining new awards and contracts may depend, in part, upon our ability to locate land that can be leased or acquired under favorable terms. Our inability to secure financing and desirable locations for new facilities could adversely affect our results of operations and future growth.

***Competition for contracts may adversely affect the profitability of our business.***

We compete with government entities and other public-private partnership operators on the basis of cost, bed availability, location of facility, quality and range of services offered, experience in managing facilities, and reputation of management and personnel. Barriers to entering the market for the management of secure and processing facilities and the provision of community reentry programs may not be sufficient to limit additional competition in our industry. In addition, some of our government customers may assume the management of a facility currently managed by us upon the termination of the corresponding management contract or, if such customers have capacity at the facilities which they operate, they may choose to use less capacity at our facilities. Since we are paid on a per diem basis based on actual occupancy under some of our contracts, a decrease in occupancy could cause a decrease in both our revenues and our profitability.

***We are dependent on government appropriations, which may not be made on a timely basis or at all and may be adversely impacted by budgetary constraints at the federal, state, local and foreign government levels.***

Our cash flow is subject to the receipt of sufficient funding of and timely payment by contracting governmental entities. If the contracting governmental agency does not receive sufficient appropriations to cover its contractual obligations, it may terminate our contract or delay or reduce payment to us. Any delays in payment, or the termination of a contract, could have a material adverse effect on our cash flow and financial condition, which may make it difficult to satisfy our payment obligations on our indebtedness, including the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes, the 5.875% Senior Notes and the senior credit facility, in a timely manner. In addition, as a result of, among other things, recent economic developments caused by the COVID-19 pandemic, domestically, federal, state and local governments have encountered, and may continue to encounter, unusual budgetary constraints. As a result, a number of state and local governments may be under pressure to control additional spending or reduce current levels of spending which could limit or eliminate appropriations for the facilities that we operate. Additionally, as a result of these factors, we may be requested in the future to reduce our existing per diem contract rates or forego prospective increases to those rates. Budgetary limitations may also make it more difficult for us to renew our existing contracts on favorable terms or at all. Further, a number of states and foreign governments in which we operate may experience budget constraints for fiscal year 2022. We cannot assure you that these constraints would not result in reductions in per diems, delays in payment for services rendered or unilateral termination of contracts.

***Adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts.***

Any negative publicity about an escape, riot, other disturbance, pandemic outbreak, death or injury of a detainee, or perceived conditions and access to health care and other services at a facility, including any work program at a facility, under a public-private partnership, any failures experienced by our electronic monitoring services and any negative publicity about a crime or disturbance occurring during a failure of service or the loss or unauthorized access to any of the data we maintain in the course of providing our services may result in publicity adverse to us and public-private partnerships in general. Any of these occurrences or continued trends may make it more difficult for us to renew existing contracts or to obtain new contracts or could result in the termination of an existing contract or the closure of one or more of our facilities, which could have a material adverse effect on our business. Such negative events may also result in a significant increase in our liability insurance costs.

***We may incur significant start-up and operating costs on new contracts before receiving related revenues, which may impact our cash flows and not be recouped.***

When we are awarded a contract to manage a facility, we may incur significant start-up and operating expenses, including the cost of constructing the facility, purchasing equipment and staffing the facility, before we receive any payments under the contract. These expenditures could result in a significant reduction in our cash reserves and may make it more difficult for us to meet other cash obligations, including our payment obligations on the 6.50% Exchangeable Senior Notes, the 6.00% Senior Notes, the 5.125% Senior Notes, the 5.875% Senior Notes and the Senior Credit Facility. In addition, a contract may be terminated prior to its scheduled expiration and as a result we may not recover these expenditures or realize any return on our investment.

***We may face community opposition to facility locations, which may adversely affect our ability to obtain new contracts.***

Our success in obtaining new awards and contracts sometimes depends, in part, upon our ability to locate land that can be leased or acquired, on economically favorable terms, by us or other entities working with us in conjunction with our proposal to construct and/or manage a facility. Some locations may be in or near populous areas and, therefore, may generate legal action or other forms of opposition from residents in areas surrounding a proposed site. When we select the intended project site, we attempt to conduct business in communities where local leaders and residents generally support the establishment of a new project. Future efforts to find suitable host communities may not be successful. In many cases, the site selection is made by the contracting governmental entity. In such cases, site selection may be made for reasons related to economic development interests.

***Natural disasters, pandemic outbreaks, global political events and other serious catastrophic events could disrupt operations and otherwise materially adversely affect our business and financial condition.***

As an owner and operator of secure facilities, processing centers and community reentry centers with operations in many states throughout the United States and multiple foreign countries, we are subject to numerous risks outside of our control, including risks arising from natural disasters, pandemic outbreaks, such as the recent COVID-19 pandemic, and other global health emergencies or disruptive global political events, including terrorist activity and war, or similar disruptions that could materially adversely affect our business and financial performance. Such occurrences can result in destruction or damage to our secure facilities, processing centers and community reentry centers and our information systems, disruption of our operations, require the evacuation of detainees or our personnel, and require the adoption of specific health protocols or treatments to safeguard the health of our detainees or personnel. Although it is not possible to predict such events or their consequences, these events could materially adversely affect our reputation, business and financial condition.

***Our international operations expose us to risks that could materially adversely affect our financial condition and results of operations.***

For the year ended December 31, 2021 and 2020, our international operations, including facility design and construction, accounted for approximately 9% and 10%, respectively, of our consolidated revenues from operations. We face risks associated with our operations outside the United States. These risks include, among others, political and economic instability, exchange rate fluctuations, taxes, duties and the laws or regulations in those foreign jurisdictions in which we operate. In the event that we experience any difficulties arising from our operations in foreign markets, our business, financial condition and results of operations may be materially adversely affected.

***We conduct certain of our operations through joint ventures or consortiums, which may lead to disagreements with our joint venture partners or business partners and adversely affect our interest in the joint ventures or consortiums.***

We conduct our operations in South Africa through our consolidated joint venture, SACM, and through our 50% owned and unconsolidated joint venture South African Custodial Services Pty. Limited, referred to as SACS. We conduct our escort and related custody services in the United Kingdom through our 50% owned and unconsolidated joint venture in GEOAmeY PECS Limited, which we refer to as GEOAmeY. We may enter into additional joint ventures in the future. Although we have the majority vote in our consolidated joint venture, SACM, through our ownership of 62.5% of the voting shares, we share equal voting control on all significant matters to come before SACS. We also share equal voting control on all significant matters to come before GEOAmeY. We are conducting certain operations in Victoria, Australia through a consortium comprised of our wholly owned subsidiary, GEO Australia, Forensic Care and Honeywell. The consortium is managing a 1,300-bed facility in Ravenhall, a location near Melbourne, Australia which was completed in November 2017. These joint venture partners, as well as any future partners, may have interests that are different from ours which may result in conflicting views as to the conduct of the business of the joint venture or consortium. In the event that we have a disagreement with a joint venture partner or consortium business partner as to the resolution of a particular issue to come before the joint venture or consortium, or as to the management or conduct of the business of the joint venture or consortium in general, we may not be able to resolve such disagreement in our favor and such disagreement

could have a material adverse effect on our interest in the joint venture or consortium or the business of the joint venture or consortium in general.

***The rising cost and increasing difficulty of obtaining adequate levels of surety credit on favorable terms could adversely affect our operating results.***

We are often required to post performance bonds issued by a surety company as a condition to bidding on or being awarded a facility development contract. Availability and pricing of these surety commitments is subject to general market and industry conditions, among other factors. If we are unable to effectively pass along surety costs to our customers, any increase in surety costs could adversely affect our operating results. In addition, we may not continue to have access to surety credit or be able to secure bonds economically, without additional collateral, or at the levels required for any potential facility development or contract bids. If we are unable to obtain adequate levels of surety credit on favorable terms, we would have to rely upon letters of credit under our Senior Credit Facility, which would entail higher costs even if such borrowing capacity was available when desired, and our ability to bid for or obtain new contracts could be impaired.

***We are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel.***

We are dependent upon the continued service of each member of our senior management team, including George C. Zoley, Ph.D., our Executive Chairman, Jose Gordo, our Chief Executive Officer, Brian R. Evans, our Senior Vice President and Chief Financial Officer, James H. Black, our Senior Vice President and President, Secure Services, Ann Schlarb, our Senior Vice President and President, GEO Care, David Venturella, our Senior Vice President, Client Relations and also our other executive officers. The unexpected loss of Dr. Zoley, Mr. Gordo, Mr. Evans or any other key member of our senior management team could materially adversely affect our business, financial condition or results of operations.

In addition, the services we provide are labor-intensive. When we are awarded a facility management contract or open a new facility, depending on the service we have been contracted to provide, we may need to hire operating, management, correctional officers, security staff, physicians, nurses and other qualified personnel. Our business is labor intensive, and some of our operations may experience a high rate of employee turnover from time to time. We believe there is currently a labor shortage impacting both publicly operated and privately operated secure facilities, processing centers and community reentry centers. It can be challenging for us to find appropriately skilled and qualified personnel at affordable rates. We may be unable to hire and retain a sufficiently skilled labor force to support our operating needs, our contractual requirements and our growth strategy. A labor shortage could negatively affect our ability to efficiently operate our facilities and our overall business. Any such shortage may adversely impact our ability to serve our customers effectively. Our labor and training expenses could increase as a result of a shortage in the supply of skilled personnel and an increase in the compensation we will need to pay to attract and retain such personnel, which could adversely affect our profitability. The success of our business requires that we attract, develop and retain our personnel. Our inability to hire sufficient qualified personnel on a timely basis or the loss of significant numbers of personnel at existing facilities could have a material effect on our business, financial condition or results of operations. If we were to be unable to fully staff or fill vacancies on a timely basis in our secure facilities, processing centers and community reentry centers, it could result in negative consequences, including requests by our government customers to provide a plan of correction, assessments of fines or other penalties under our contracts, or contract cancellations or non-renewals.

***Adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations.***

At December 31, 2021, approximately 42% of our workforce was covered by collective bargaining agreements and, as of such date, collective bargaining agreements with approximately 14% of our employees were set to expire in less than one year. While approximately 42% of our workforce schedule is covered by collective bargaining agreements, increases in organizational activity or any future work stoppages could have a material adverse effect on our business, financial condition, or results of operations.

***Our profitability may be materially adversely affected by inflation.***

Many of our facility management contracts provide for fixed management fees or fees that increase by only small amounts during their terms. While a substantial portion of our cost structure is generally fixed, if, due to inflation or other causes, our operating expenses, such as costs relating to personnel, utilities, insurance, medical and food, increase at rates faster than increases, if any, in our facility management fees, then our profitability could be materially adversely affected.

**Risks Related to our Corporate Tax Structure**

***Our obligation to pay income taxes increased beginning with our taxable year ended December 31, 2021, which will result in a reduction to our earnings, and could have negative consequences to us.***

We terminated our REIT election and became a taxable C corporation effective for the taxable year ended December 31, 2021. As a result, we will not be allowed a deduction for dividends paid to our stockholders in computing our taxable income and will be subject to U.S. federal and state income tax on our taxable income at corporate tax rates. This could impair our ability to satisfy our financial obligations and negatively impact the price of our securities. This treatment could also reduce our net earnings available for investment or distribution to our stockholders because of the additional tax liability to us. Further, federal and state income tax rates could increase in the future, exacerbating these risks. We also will be disqualified from electing REIT status under the Internal Revenue Code of 1986, as amended, or the Code, through December 31, 2025.

***We may fail to realize the anticipated benefits of terminating our REIT election and becoming a taxable C corporation effective for our fiscal year ended December 31, 2021, or those benefits may take longer to realize than expected, if at all, or may not offset the costs of terminating our REIT election and becoming a taxable C Corporation.***

We believe that terminating our REIT election and becoming a taxable C corporation will, among other things, provide us with greater flexibility to use our free cash flows as we will no longer be required to operate under the REIT rules, including the requirement to distribute at least 90% of our taxable income to our stockholders. However, the amount of our free cash flows may not meet our expectations, which may reduce, or eliminate, the anticipated benefits of the transition from a REIT to a taxable C corporation. For example, if our cash flows do not meet our expectations, we may be unable to reduce our net recourse debt and deleverage our debt as quickly as we desire. Moreover, there can be no assurance that the anticipated benefits of the transition from a REIT to a taxable C corporation will offset its costs, which could be greater than we expect. Our failure to achieve the anticipated benefits of the transition from a REIT to a taxable C corporation at all, or in a timely manner, or a failure of any benefits realized to offset its costs, could negatively affect our business, financial condition, results of operations or the market price of our common stock.

***If we failed to qualify as a REIT for those years for which we elected REIT status, we would be subject to corporate income taxes and would not be able to deduct distributions to stockholders when computing our taxable income for those years.***

We operated in a manner that was intended to allow us to qualify as a REIT for federal income tax purposes during those years we elected REIT status, the fiscal years ended December 1, 2013 through December 31, 2020. However, we cannot assure you that we qualified as a REIT during those years. Qualification as a REIT required us to satisfy numerous requirements established under highly technical and complex sections of the Code for which there are only limited judicial and administrative interpretations, and involves the determination of various factual matters and circumstances not entirely within our control. For example, to qualify as a REIT, the REIT must derive at least 95% of its gross income in any year from qualifying sources. In addition, a REIT is required to distribute annually to its stockholders at least 90% of its REIT taxable income (determined without regard to the dividends paid deduction and by excluding capital gains) and must satisfy specified asset tests on a quarterly basis. We received a favorable private letter ruling from the IRS with respect to certain issues relevant to our qualification as a REIT. Although we may generally rely upon the ruling, no assurance can be given that the IRS will not challenge our qualification as a REIT during those taxable years in which we elected REIT status on the basis of other issues or facts outside the scope of the ruling.

If we failed to qualify as a REIT in any taxable year we elected REIT status, we would be subject to federal income tax (including any applicable alternative minimum tax for years before 2018) on our taxable income computed in the usual manner for corporate taxpayers without deduction for distributions to our shareholders, and we may need to borrow additional funds or issue securities to pay such additional tax liability. Any such corporate income tax liability could be substantial and would reduce the amount of cash available for other purposes, because, unless we are entitled to relief under certain statutory provisions, we would be taxable as a C Corporation, beginning in the year in which the failure occurred.

***Even if we qualified as a REIT for those years for which we elected REIT status, we may owe taxes under certain circumstances.***

Even if we qualified as a REIT for those years we elected REIT status, we were subject to certain U.S. federal, state and local taxes on our income and property, including on taxable income that we did not distribute to our shareholders, and on net income from certain "prohibited transactions". In addition, the REIT provisions of the Code are complex and are not always subject to clear interpretation. For example, a REIT must derive at least 95% of its gross income in any year from qualifying sources, including rents from real property. Rents from real property include amounts received for the use of limited amounts of personal property and for certain services. Whether amounts constitute rents from real property or other qualifying income may not be entirely clear in all cases. We may fail to qualify as a REIT for those years we elected REIT status if we exceed the permissible amounts of non-qualifying income unless such failures qualify for relief under certain statutory relief provisions. Even if we qualify for statutory relief, we may be required to pay an excise or penalty tax (which could be significant in amount) in order to utilize one or more such relief provisions under the Code to maintain our qualification as a REIT for those

years we elected REIT status. Furthermore, we conducted substantial activities through TRSs, and the income of those subsidiaries is subject to U.S. federal income tax at regular corporate rates.

Performing services through our TRSs during those years we elected REIT status may increase our overall tax liability or subject us to certain excise taxes. A TRS may hold assets and earn income, including income earned from the performance of correctional services, that would not be qualifying assets or income if held or earned directly by a REIT. During those years for which we elected REIT status, we conducted a significant portion of our business activities through our TRSs. Our TRSs were subject to federal, foreign, state and local income tax on their taxable income, and their after-tax net income generally is available for distribution to us but is not required to be distributed to us. The TRS rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. We believe our arrangements with our TRSs were on arm's-length terms. If it is determined that our arrangements with our TRSs were not on an arm's-length terms, we would be subject to the 100% excise tax.

The value of the securities we owned in our TRSs during those years for which we elected REIT status was limited under the REIT asset tests. Under the Code, no more than 20% of the value of the gross assets of a REIT may be represented by securities of one or more TRSs. This limitation affected our ability to increase the size of our TRSs' operations and assets during those years that we elected REIT status, and there can be no assurance that we were able to comply with this limitation. If it is determined that we were unable to comply with this limitation, we would fail to qualify as a REIT for those years for which we elected REIT status.

The tax imposed on REITs engaging in "prohibited transactions" could have limited our ability to engage in transactions which would be treated as sales for federal income tax purposes during those years for which we elected REIT status. A REIT's net income from prohibited transactions is subject to a 100% penalty tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. Although we do not believe that we held any properties that would be characterized as held for sale to customers in the ordinary course of our business during those years for which we elected REIT status, unless the sale or disposition qualified under certain statutory safe harbors, such characterization is a factual determination and no guarantee can be given that the Internal Revenue Service, or IRS, would agree with our characterization of our properties.

### **Risks Related to Real Estate and Construction Matters**

*Various risks associated with the ownership of real estate may increase costs, expose us to uninsured losses and adversely affect our financial condition and results of operations.*

Our ownership of secure and processing facilities subjects us to risks typically associated with investments in real estate. Investments in real estate, and in particular, secure and processing facilities, are relatively illiquid and, therefore, our ability to divest ourselves of one or more of our facilities promptly in response to changed conditions is limited. Investments in secure and processing facilities, in particular, subject us to risks involving potential exposure to environmental liability and uninsured loss. Our operating costs may be affected by the obligation to pay for the cost of complying with existing environmental laws, ordinances and regulations, as well as the cost of complying with future legislation. In addition, although we maintain insurance for many types of losses, there are certain types of losses, such as losses from hurricanes, earthquakes, riots and acts of terrorism, which may be either uninsurable or for which it may not be economically feasible to obtain insurance coverage, in light of the substantial costs associated with such insurance. As a result, we could lose both our capital invested in, and anticipated profits from, one or more of the facilities we own. Further, even if we have insurance for a particular loss, we may experience losses that may exceed the limits of our coverage.

*Risks related to facility construction and development activities may increase our costs related to such activities.*

When we are engaged to perform construction and design services for a facility, we typically act as the primary contractor and subcontract with other companies who act as the general contractors. As primary contractor, we are subject to the various risks associated with construction (including, without limitation, shortages of labor and materials, work stoppages, labor disputes and weather interference) which could cause construction delays. In addition, we are subject to the risk that the general contractor will be unable to complete construction within the level of budgeted costs or be unable to fund any excess construction costs, even though we typically require general contractors to post construction bonds and insurance. Under such contracts, we are ultimately liable for all late delivery penalties and cost overruns.

### **Risks Related to the Capital Markets and its Impact on our Business**

*Negative conditions in the capital markets could prevent us from obtaining financing, which could materially harm our business.*



Our ability to obtain additional financing is highly dependent on the conditions of the capital markets, among other things. The capital and credit markets have experienced significant periods of volatility and disruption since the Great Recession of 2007-2009, and more recently during 2020 and 2021 due to the impact of the COVID-19 pandemic. During this time period, the economic impacts observed have included a downturn in the equity and debt markets, a tightening of the credit markets, a general economic slowdown and other macroeconomic conditions, volatility in stock prices and currency exchange rates, inflation, concerns over sovereign debt levels abroad and in the U.S. and concerns over the failure to adequately address the federal deficit and the debt ceiling. If those macroeconomic conditions continue or worsen in the future, we could be prevented from raising additional capital or obtaining additional financing on satisfactory terms, or at all. During 2019, several financial institutions, including some of our lenders, announced that they will not be renewing existing agreements or entering into new agreements with companies that operate secure services facilities and centers pursuant to public-private partnerships. Some of these same institutions have ceased their equity analyst coverage of our company. If we need, but cannot obtain, adequate capital as a result of negative conditions in the capital markets or otherwise, our business, results of operations and/or financial condition could be materially adversely affected. Additionally, such inability to obtain capital could prevent us from pursuing attractive business development opportunities, including new facility constructions or expansions of existing facilities, and business or asset acquisitions.

### **Risks Related to our Electronic Monitoring Products and Technology**

***Technological changes could cause our electronic monitoring products and technology to become obsolete or require the redesign of our electronic monitoring products, which could have a material adverse effect on our business.***

Technological changes within the electronic monitoring business in which we conduct business, such as the conversion from Code Division Multiple Access (CDMA) to Long Term Evolution (LTE) technology for cellular network connectivity in the near future, may require us to expend substantial resources in an effort to develop and/or utilize new electronic monitoring products and technology. We may not be able to anticipate or respond to technological changes in a timely manner, and our response may not result in successful electronic monitoring product development and timely product introductions. If we are unable to anticipate or timely respond to technological changes, our business could be adversely affected and could compromise our competitive position, particularly if our competitors announce or introduce new electronic monitoring products and services in advance of us. Additionally, new electronic monitoring products and technology face the uncertainty of customer acceptance and reaction from competitors.

***Any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products and services by governmental customers could have a material adverse effect on our business, financial condition and results of operations.***

Governmental customers use electronic monitoring products and services to monitor low risk offenders as a way to help reduce overcrowding in secure facilities, as a monitoring tool, and to promote public safety by imposing restrictions on movement and serving as a deterrent for alcohol usage. If the level of acceptance of or resistance to the use of electronic monitoring products and services by governmental customers were to change over time in a negative manner so that governmental customers decide to decrease their usage levels and contracting for electronic monitoring products and services, this could have a material adverse effect on our business, financial condition and results of operations.

***We depend on a limited number of third parties to manufacture and supply quality infrastructure components for our electronic monitoring products. If our suppliers cannot provide the components or services we require and with such quality as we expect, our ability to market and sell our electronic monitoring products and services could be harmed.***

If our suppliers fail to supply components in a timely manner that meets our quantity, quality, cost requirements, or technical specifications, we may not be able to access alternative sources of these components within a reasonable period of time or at commercially reasonable rates. Recently we have been affected by the current microchip shortage which has caused us to pivot to other technology solutions. A reduction or interruption in the supply of components, or a significant increase in the price of components, could have a material adverse effect on our marketing and sales initiatives, which could adversely affect our financial condition and results of operations.

***An inability to acquire, protect or maintain our intellectual property and patents in the electronic monitoring space could harm our ability to compete or grow.***

We have numerous United States and foreign patents issued as well as a number of United States patents pending in the electronic monitoring space. There can be no assurance that the protection afforded by these patents will provide us with a competitive advantage, prevent our competitors from duplicating our products, or that we will be able to assert our intellectual property rights in infringement actions.

In addition, any of our patents may be challenged, invalidated, circumvented or rendered unenforceable. There can be no assurance that we will be successful should one or more of our patents be challenged for any reason. If our patent claims are rendered invalid or unenforceable, or narrowed in scope, the patent coverage afforded to our products could be impaired, which could significantly impede our ability to market our products, negatively affect our competitive position and harm our business and operating results.

There can be no assurance that any pending or future patent applications held by us will result in an issued patent, or that if patents are issued to us, that such patents will provide meaningful protection against competitors or against competitive technologies. The issuance of a patent is not conclusive as to its validity or its enforceability. The United States federal courts or equivalent national courts or patent offices elsewhere may invalidate our patents or find them unenforceable. Competitors may also be able to design around our patents. Our patents and patent applications cover particular aspects of our products. Other parties may develop and obtain patent protection for more effective technologies, designs or methods. If these developments were to occur, it could have an adverse effect on our sales. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or trade secrets by consultants, vendors, former employees and current employees, despite the existence of nondisclosure and confidentiality agreements and other contractual restrictions. Furthermore, the laws of foreign countries may not protect our intellectual property rights effectively or to the same extent as the laws of the United States. If our intellectual property rights are not adequately protected, we may not be able to commercialize our technologies, products or services and our competitors could commercialize our technologies, which could result in a decrease in our sales and market share that would harm our business and operating results.

Additionally, the expiration of any of our patents may reduce the barriers to entry into our electronic monitoring line of business and may result in loss of market share and a decrease in our competitive abilities, thus having a potential adverse effect on our financial condition, results of operations and cash flows.

***Our electronic monitoring products could infringe on the intellectual property rights of others, which may lead to litigation that could itself be costly, could result in the payment of substantial damages or royalties, and/or prevent us from using technology that is essential to our products.***

There can be no assurance that our current products or products under development will not infringe any patent or other intellectual property rights of third parties. If infringement claims are brought against us, whether successfully or not, these assertions could distract management from other tasks important to the success of our business, necessitate us expending potentially significant funds and resources to defend or settle such claims and harm our reputation. We cannot be certain that we will have the financial resources to defend ourselves against any patent or other intellectual property litigation.

In addition, intellectual property litigation or claims could force us to do one or more of the following:

- cease selling or using any products that incorporate the asserted intellectual property, which would adversely affect our revenue;
- pay substantial damages for past use of the asserted intellectual property;
- obtain a license from the holder of the asserted intellectual property, which license may not be available on reasonable terms, if at all; or
- redesign or rename, in the case of trademark claims, our products to avoid infringing the intellectual property rights of third parties, which may not be possible and could be costly and time-consuming if it is possible to do.

In the event of an adverse determination in an intellectual property suit or proceeding, or our failure to license essential technology, our sales could be harmed and/or our costs could increase, which would harm our financial condition.

***We license intellectual property rights in the electronic monitoring space, including patents, from third party owners. If such owners do not properly maintain or enforce the intellectual property underlying such licenses, our competitive position and business prospects could be harmed. Our licensors may also seek to terminate our license.***

We are a party to a number of licenses that give us rights to third-party intellectual property that is necessary or useful to our business. Our success will depend in part on the ability of our licensors to obtain, maintain and enforce our licensed intellectual property. Our licensors may not successfully prosecute any applications for or maintain intellectual property to which we have licenses, may determine not to pursue litigation against other companies that are infringing such intellectual property, or may pursue such litigation less aggressively than we would. Without protection for the intellectual property we license, other companies might be able to offer similar products for sale, which could adversely affect our competitive business position and harm our business prospects.

If we lose any of our rights to use third-party intellectual property, it could adversely affect our ability to commercialize our technologies, products or services, as well as harm our competitive business position and our business prospects.

*We may be subject to costly product liability claims from the use of our electronic monitoring products, which could damage our reputation, impair the marketability of our products and services and force us to pay costs and damages that may not be covered by adequate insurance.*

Manufacturing, marketing, selling, testing and the operation of our electronic monitoring products and services entail a risk of product liability. We could be subject to product liability claims to the extent our electronic monitoring products fail to perform as intended. Even unsuccessful claims against us could result in the expenditure of funds in litigation, the diversion of management time and resources, damage to our reputation and impairment in the marketability of our electronic monitoring products and services. While we maintain liability insurance, it is possible that a successful claim could be made against us, that the amount of our insurance coverage would not be adequate to cover the costs of defending against or paying such a claim, or that damages payable by us would harm our business.

#### **Risks Related to Information Technology and Cybersecurity**

*The interruption, delay or failure of the provision of our services or information systems could adversely affect our business.*

Certain segments of our business depend significantly on effective information systems. As with all companies that utilize information technology, we are vulnerable to negative impacts if information is inadvertently interrupted, delayed, compromised or lost. We routinely process, store and transmit large amounts of data for our clients. We continually work to update and maintain effective information systems. Despite the security measures we have in place and any additional measures we may implement in the future, our facilities and systems, and those of our third-party service providers, could be vulnerable to security breaches, computer viruses, lost or misplaced data, programming errors, human errors, acts of vandalism, or other events. For example, we disclosed in November 2020 that we had begun the process of notifying current and former employees and would provide additional notifications as required by applicable state and federal law regarding a ransomware attack that impacted a portion of our information technology systems and a limited amount of data that contained personally identifiable information and protected health information. Any security breach or event resulting in the interruption, delay or failure of our services or information systems, or the misappropriation, loss, or other unauthorized disclosure of client data, employee and former employee data or confidential information, whether by us directly or our third-party service providers, could damage our reputation, expose us to the risks of litigation and liability, disrupt our business, result in lost business or otherwise adversely affect our results of operations.

#### **Risks Related to Acquisitions and Dispositions**

*We may not be able to successfully identify or consummate acquisitions or dispositions.*

We pursue select acquisitions that meet our criteria for growth and profitability when market opportunities arise. We pursue select dispositions of assets and businesses that meet our criteria for maximizing the realization of value for such assets or businesses and for furthering our goal of deleveraging our balance sheet and reducing funded recourse debt. The pursuit of acquisitions or dispositions may pose certain risks to us. We may not be able to identify acquisition candidates that fit our criteria for growth and profitability. We may not be able to identify purchasers for the sale of any of our assets or businesses or we may not be able to obtain a purchase price for such assets or businesses that we feel is reflective of the quality of such assets or businesses. Even if we are able to identify such candidates or purchasers, we may not be able to acquire such targets or dispose of such assets or businesses on terms satisfactory to us. We will incur expenses and dedicate attention and resources associated with the review of acquisition or disposition opportunities, whether or not we consummate such acquisitions or dispositions.

Additionally, even if we are able to acquire suitable targets on agreeable terms, we may not be able to successfully integrate their operations with ours. Achieving the anticipated benefits of any acquisition will depend in significant part upon whether we integrate such acquired businesses in an efficient and effective manner. We may not be able to achieve the anticipated operating and cost synergies or long-term strategic benefits of our acquisitions within the anticipated timing or at all. For example, elimination of duplicative costs may not be fully achieved or may take longer than anticipated. For at least the first year after a substantial acquisition, and possibly longer, the benefits from the acquisition will be offset by the costs incurred in integrating the businesses and operations. We may also assume liabilities in connection with acquisitions that we would otherwise not be exposed to. An inability to realize the full extent of, or any of, the anticipated synergies or other benefits of an acquisition as well as any delays that may be encountered in the integration process, which may delay the timing of such synergies or other benefits, could have an adverse effect on our business and results of operations.

Additionally, even if we are able to dispose of any assets or businesses on agreeable terms, we may not achieve the anticipated benefits of such disposition within the contemplated timing or at all. A disposition of any assets or businesses may result in decreased earnings, revenue, or cash flow. We may also be subject to claims from the purchasers of such assets or businesses relating to liabilities or indemnification obligations in connection with such dispositions. An inability to realize the full extent of, or any of, the anticipated benefits of a disposition as well as any delays that may be encountered in the disposition process, could have an adverse effect on our business, results of operations and our ability to deleverage our balance sheet and reduce funded recourse debt.

*As a result of our acquisitions, we have recorded and will continue to record a significant amount of goodwill and other intangible assets. In the future, our goodwill or other intangible assets may become impaired, which could result in material non-cash charges to our results of operations.*

We have a substantial amount of goodwill and other intangible assets resulting from business acquisitions. As of December 31, 2021, we had approximately \$921.3 million of goodwill and other intangible assets. At least annually, or whenever events or changes in circumstances indicate a potential impairment in the carrying value (as defined by Generally Accepted Accounting Principles in the United States of America, or U.S. GAAP), we will evaluate this goodwill for impairment by first assessing qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of the reporting unit is less than the carrying amount. Estimated fair values could change and/or decline if there are changes in our capital structure, cost of debt, interest rates, capital expenditure levels, operating cash flows, market capitalization, the political and regulatory environment and the effects of the COVID-19 pandemic. For example, our stock price has experienced a significant decline over the course of the last several years. A further decline or prolonged decline in the value of our stock price may result in material impairment charges. Impairments of goodwill or other intangible assets could require material non-cash charges to our results of operations.

#### **Risks Related to Legal, Regulatory and Compliance Matters**

*Failure to comply with extensive government regulation and applicable contractual requirements could have a material adverse effect on our business, financial condition or results of operations.*

The sector in which we operate is subject to extensive federal, state and local regulation, including educational, environmental, health care and safety laws, rules and regulations, which are administered by many regulatory authorities. Some of the regulations are unique to the sector, and the combination of regulations affects all areas of our operations. Corrections officers are customarily required to meet certain training standards, and, in some instances, facility personnel are required to be licensed and are subject to background investigations. Certain jurisdictions also require us to award subcontracts on a competitive basis or to subcontract with businesses owned by members of minority groups. We may not always successfully comply with these and other regulations to which we are subject and failure to comply can result in material penalties or the non-renewal or termination of facility management contracts. In addition, changes in existing regulations could require us to substantially modify the manner in which we conduct our business and, therefore, could have a material adverse effect on us.

In addition, public-private partnerships are increasingly subject to government legislation and regulation attempting to restrict the ability of private sector companies to operate facilities housing certain classifications of individuals, such as individuals from other jurisdictions or individuals at higher security levels. Legislation has been enacted in several states and has previously been proposed in the United States House of Representatives, containing such restrictions.

Governmental agencies may investigate and audit our contracts and, if any improprieties are found, we may be required to refund amounts we have received, to forego anticipated revenues and we may be subject to penalties and sanctions, including prohibitions on our bidding in response to RFPs from governmental agencies to manage secure facilities. Governmental agencies we contract with have the authority to audit and investigate our contracts with them. As part of that process, governmental agencies may review our performance of the contract, our pricing practices, our cost structure and our compliance with applicable laws, regulations and standards. For contracts that actually or effectively provide for certain reimbursement of expenses, if an agency determines that we have improperly allocated costs to a specific contract, we may not be reimbursed for those costs, and we could be required to refund the amount of any such costs that have been reimbursed. If we are found to have engaged in improper or illegal activities, including under the United States False Claims Act, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeitures of profits, suspension of payments, fines and suspension or disqualification from doing business with certain governmental entities. An adverse determination in an action alleging improper or illegal activities by us could also adversely impact our ability to bid in response to RFPs in one or more jurisdictions.

In addition to compliance with applicable laws and regulations, our facility management contracts typically have numerous requirements addressing all aspects of our operations which we may not be able to satisfy. For example, our contracts require us to maintain certain levels of coverage for general liability, workers' compensation, vehicle liability, and property loss or damage. If we do not maintain the required categories and levels of coverage, the contracting governmental agency may be permitted to terminate the contract. In addition, we are required under our contracts to indemnify the contracting governmental agency for all claims and costs arising out of our management of facilities and, in some instances, we are required to maintain performance bonds relating to the construction, development and operation of facilities. Facility management contracts also typically include reporting requirements, supervision and on-site monitoring by representatives of the contracting governmental agencies. Failure to properly adhere to the various terms of our customer contracts could expose us to liability for damages relating to any breaches as well as the loss of such contracts, which could materially adversely impact us.

***Our business operations expose us to various liabilities for which we may not have adequate insurance and may have a material adverse effect on our business, financial condition or results of operations.***

The nature of our services exposes us to various types of third-party allegations and legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, claims relating to the federal Trafficking and Victims Protection Act, claims relating to our COVID-19 response procedures, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or detainees, including damages arising from an inmate's escape or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation.

We maintain insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. However, we generally have high deductible payment requirements on our primary insurance policies, including our general liability insurance, and there are also varying limits on the maximum amount of our overall coverage. As a result, the insurance we maintain to cover the various liabilities to which we are exposed may not be adequate. Any losses relating to matters for which we are either uninsured or for which we do not have adequate insurance could have a material adverse effect on our business, financial condition or results of operations. In addition, any losses relating to employment matters could have a material adverse effect on our business, financial condition or results of operations. To the extent the events serving as a basis for any potential claims are alleged or determined to constitute illegal or criminal activity, we could also be subject to criminal liability. Such liability could result in significant monetary fines and could affect our ability to bid on future contracts and/or retain our existing contracts.

During the third quarter of 2021, the court hearing the previously disclosed shareholder class action filed against GEO and certain of its officers granted in part and denied in part the defendants' motion to dismiss. As set forth more fully in Note 17 – Commitments, Contingencies and Other Matters of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, the court allowed narrowed claims to proceed against GEO and Mr. Zoley. Also during the third quarter of 2021, as set forth more fully in Note 17 – Commitments, Contingencies and Other Matters of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, a putative shareholder derivative complaint was filed in state court against GEO and its directors and certain of its officers.

During the fourth quarter of 2021, we received an unfavorable jury verdict and combined \$23.2 million judgments in the retrial of two cases, *State of Washington v. GEO Group and Nwauzor et al. v. GEO Group*, in U.S. District Court for the Western District of Washington. While we strongly disagree with the verdict and judgments in these two cases and intend to appeal to the U.S. Court of Appeals for the Ninth Circuit, we cannot make any assurances that we will prevail on appeal. At this time, GEO has not recorded an accrual relating to these two cases because a loss, following the appeals process, is not considered probable. If we are required to record an accrual with regard to these cases or other similar cases, that may have a material adverse effect on our business, financial condition or results of operations.

The results of these claims or proceedings, or other litigation matters, cannot be predicted with certainty, and an unfavorable resolution of one or more of these claims or proceedings could have a material adverse effect on the Company's financial condition, results of operations or cash flows. The Company's accruals for loss contingencies are reviewed quarterly and adjusted as additional information becomes available. The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company does not accrue for anticipated legal fees and costs but expenses those items as incurred.

***We may not be able to obtain or maintain the insurance levels required by our government contracts.***

Our government contracts require us to obtain and maintain specified insurance levels. The occurrence of any events specific to our company or to our industry, or a general rise in insurance rates, could substantially increase our costs of obtaining or maintaining the levels of insurance required under our government contracts, or prevent us from obtaining or maintaining such insurance altogether. If we are unable to obtain or maintain the required insurance levels, our ability to win new government contracts, renew government contracts that have expired and retain existing government contracts could be significantly impaired, which could have a material adverse effect on our business, financial condition and/or results of operations.

## Risks Related to Corporate Social Responsibility

*We are subject to risks related to corporate social responsibility.*

The consideration of ESG factors in making investment and voting decisions is relatively new, and frameworks and methods used by investors for assessing ESG policies are not fully developed and vary considerably among the investment community. In December of 2021, we issued our third Human Rights and ESG report. The Human Rights and ESG report builds on the important milestone we achieved in 2013 when our Board adopted a Global Human Rights Policy by providing disclosures related to how we inform our employees of our commitment to respecting human rights; the criteria we use to assess human rights performance; and our contract compliance program, remedies to shortcomings in human rights performance, and independent verification of our performance by third party organizations. The Human Rights and ESG report also address criteria, based on recognized ESG reporting standards, related to the development of our employees; our efforts to advance environmental sustainability in the construction and operation of our facilities; and our adherence to ethical governance practices throughout our company. We also publish an annual Political Activity and Lobbying Report providing information on political contributions and our lobbying activities, including disclosure relating to political contributions at the corporate and GEO Political Action Committee level, contributions by recipient category of federal candidates, parties and committees and state/local candidates, parties and committees, amounts paid for lobbying activities and information relating to memberships in trade and membership associations, chambers of commerce and other groups where the annual membership fee is in excess of \$25,000.

These policies, practices and reports, whether it be the standards we set for ourselves or ESG criteria established by third parties, whether or not we meet such standards, and the level of disclosure we provide in our reports may influence our reputation. For example, the perception held by our governmental partners, vendors, suppliers, shareholders, other stakeholders, the communities in which we do business or the general public may depend, in part, on the standards we have chosen to aspire to meet, whether or not we meet these standards on a timely basis or at all, whether or not we meet external ESG factors they deem relevant and the level of disclosure we provide relating to human rights, ESG, and our political and lobbying activities. The subjective nature and wide variety of frameworks and methods used by various stakeholders, including investors, to assess a company with respect to ESG criteria can result in the application or perception of negative ESG factors or a misrepresentation of our ESG policies and practices. Our failure to achieve progress on our human rights and ESG policies and practices on a timely basis, or at all, meet human rights or ESG criteria set by third parties, or provide the disclosure relating to human rights, ESG, political and lobbying activities which any third parties may believe is necessary or appropriate could adversely affect our business, financial condition and/or results of operations.

By electing to publicly share our Human Rights and ESG report and our Political Activity and Lobbying Report, our business may face increased scrutiny related to our human rights and ESG activities and our political contributions and lobbying activities. As a result, our reputation could be adversely impacted if we fail to act responsibly in the areas in which we report, such as human rights, the development of our workforce, safety and security, addressing recidivism, engaging with our stakeholders, ethics and governance, oversight and contract compliance, energy and environmental sustainability, financial management and performance and political contributions and lobbying activities. Any harm to our reputation resulting from setting these standards or our failure or perceived failure to meet such standards or resulting from the reporting of our political contributions and lobbying activities could impact: the willingness of our governmental partners, vendors and suppliers to do business with us or the quality of our relationships with our governmental partners, vendors and suppliers; our ability to access capital in the debt or equity markets; our investors willingness or ability to purchase or hold our securities; and employee retention and the quality of relations with our employees, any of which could adversely affect our business, financial condition and/or results of operations.

## Risks Related to Our Common Stock

*The market price of our common stock may vary substantially. If the market price of our common stock were to decline further in the future at a specific measurement time period that impacts our public float calculation, we could potentially lose our status as a well-known seasoned issuer and large accelerated filer and suffer negative consequences.*

The market price of our common stock may vary substantially. Factors that could affect the market price of our common stock include the following:

- actual or anticipated variations in our quarterly results of operations;
- changes in market valuations of companies in our industry;
- announcements by us or our competitors of changes to capital allocation strategy, acquisitions, dispositions, investments or strategic alliances;
- changes in expectations of future financial performance or changes in estimates of securities analysts;
- fluctuations in stock market prices and volumes;

- issuances of common stock or other securities convertible into common stock in the future;
- the addition or departure of key personnel; and
- changes in the prospects of public-private partnerships.

If the market price of our common stock were to decline further in the future at a specific measurement time period that impacts our public float calculation, we could potentially lose our status as a well-known seasoned issuer and large accelerated filer and suffer negative consequences. If we do not qualify as a well-known seasoned issuer, we will not be able to file automatic shelf registration statements on Form S-3ASR and enjoy the benefits associated with such registration statements, including that they become effective immediately upon filing, they permit companies to omit more information from the base prospectus than permitted for other shelf registration statements; they allow companies to register unspecified amounts of securities and do so without allocating among securities or between primary and secondary offerings, and they permit companies to pay filing fees on a "pay-as-you-go" basis at the time of each takedown from the shelf registration statement. Furthermore, if the market price of our common stock were to decline further in the future we may cease to be a large accelerated filer based on the aggregate worldwide market value of our common stock held by our non-affiliates. The loss of status as a well-known seasoned issuer and large accelerated filer may impact the views or perceptions of investors and analysts and may influence investors' willingness to purchase or hold our securities or analysts' recommendations regarding our securities.

***Future sales or issuances of shares of our common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders.***

Sales or issuances of shares of our common stock, or the perception that such sales or issuances could occur, could adversely affect the price for our common stock. As of December 31, 2021, there were 187,500,000 shares of common stock authorized under our Articles of Incorporation, of which 122,471,390 shares were outstanding. Our Board of Directors may authorize the issuance of additional authorized but unissued shares of our common stock or other authorized but unissued securities of ours at any time, including pursuant to our equity incentive plan and our employee stock purchase plan.

On October 30, 2020, the Company filed an automatic shelf registration statement on Form S-3ASR with the SEC that enables the Company to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. Each time the Company offers to sell securities under the registration statement, the Company will provide a prospectus supplement that will contain specific information about the terms of that offering and the securities being offered. The shelf registration statement is automatically effective and is valid for three years.

We are not restricted from issuing additional shares of our common stock or other instruments exchangeable or convertible into our common stock. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock. If we issue more of our common stock or additional instruments exchangeable or convertible into or exercisable for our common stock, it may materially and adversely affect the price of our common stock and, in turn, the price of the Convertible Notes. Furthermore, the exchange, conversion or exercise of some or all of the Convertible Notes or such other instruments may dilute the ownership interests of existing shareholders, and any sales in the public market of shares of our common stock issuable upon any such exchange, conversion or exercise could adversely affect prevailing market prices of our common stock or the Convertible Notes. An offering or issuance of shares of our common stock may have a dilutive effect on our earnings per share and funds from operations per share after giving effect to the issuance of such shares of common stock and the receipt of the expected net proceeds. The actual amount of dilution from any offering of our equity securities, cannot be determined at this time. The market price of our common stock, Convertible Notes or other such instruments could decline as a result of sales of a large number of shares of our common stock in the market pursuant to an offering, or otherwise, or as a result of the perception or expectation that such sales or issuances could occur.

***Various anti-takeover protections applicable to us may make an acquisition of us more difficult and reduce the market value of our common stock.***

We are a Florida corporation and the anti-takeover provisions of Florida law impose various impediments to the ability of a third party to acquire control of our company, even if a change of control would be beneficial to our shareholders. In addition, provisions of our articles of incorporation may make an acquisition of our company more difficult. Our articles of incorporation authorize the issuance by our Board of Directors of "blank check" preferred stock without shareholder approval. Such shares of preferred stock could be given voting rights, dividend rights, liquidation rights or other similar rights superior to those of our common stock, making a takeover of our company more difficult and expensive. In addition to discouraging takeovers, the anti-takeover provisions of Florida law and our articles of incorporation may have the impact of reducing the market value of our common stock.

***Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have an adverse effect on our business and the trading price of our common stock.***

If we fail to maintain the adequacy of our internal controls, in accordance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as such standards are modified, supplemented or amended from time to time, our exposure to fraud and errors in accounting and financial reporting could materially increase. Also, inadequate internal controls would likely prevent us from concluding on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002. Such failure to achieve and maintain effective internal controls could adversely impact our business and the price of our common stock.

***We may issue additional debt securities that could limit our operating flexibility and negatively affect the value of our common stock.***

In the future, we may issue additional debt securities which may be governed by an indenture or other instrument containing covenants that could place restrictions on the operation of our business and the execution of our business strategy in addition to the restrictions on our business already contained in the agreements governing our existing debt. In addition, we may choose to issue additional debt that is convertible or exchangeable for other securities, including our common stock, or that has rights, preferences and privileges senior to our common stock. Because any decision to issue debt securities will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of any future debt financings and we may be required to accept unfavorable terms for any such financings. Accordingly, any future issuance of debt could dilute the interest of holders of our common stock and reduce the value of our common stock.

**Item 1B. *Unresolved Staff Comments***

None.

**Item 2. *Properties***

The Company owns and leases its corporate offices, which are both located in Boca Raton, Florida. The Company purchased land in Boca Raton, Florida to construct a new corporate office building which was completed in the first quarter of 2019. The Company's lease on its additional corporate office space expires in December 2028 and has two 5-year renewal options which if exercised will result in a maximum term ending in December 2038. In addition, we lease office space for our eastern regional office in Charlotte, North Carolina; our central regional office in San Antonio, Texas; and our western regional office in Los Angeles, California. As a result of the BI acquisition in February 2011 and the Protocol acquisition in February 2014, we are also currently leasing office space in Boulder, Colorado and Aurora, Illinois, respectively. We also lease office space in Sydney and Melbourne, Australia, and in Sandton, South Africa, through our overseas affiliates to support our Australian, and South African operations, respectively. We consider our office space adequate for our current operations.

See the Facilities and Day Reporting Centers listing under Item 1 for a list of the correctional, detention and reentry properties we own or lease in connection with our operations.

**Item 3. *Legal Proceedings***

The information required herein is incorporated by reference from Note 17 – Commitments, Contingencies and Other Matters in the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

**Item 4. *Mine Safety Disclosures***

Not applicable.



PART II

**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

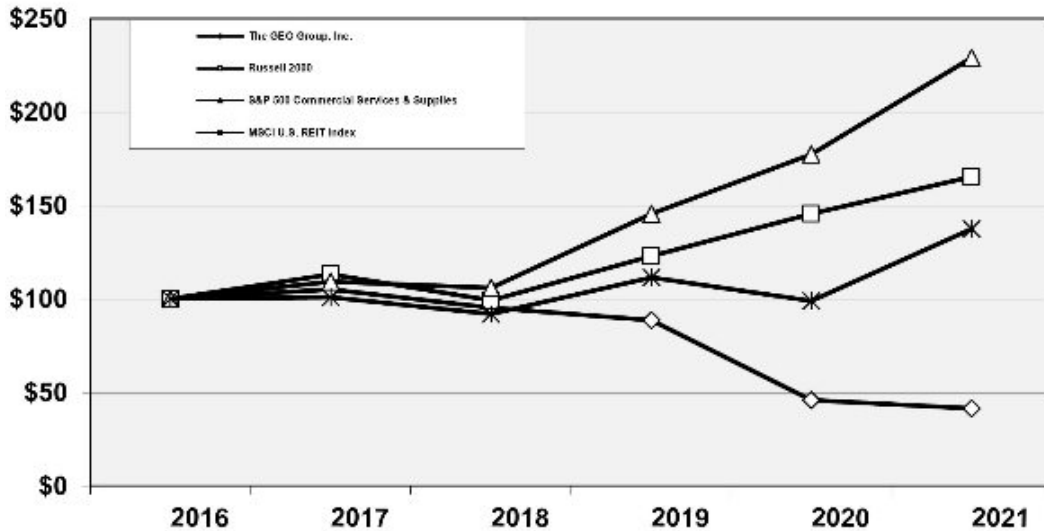
Our common stock trades on the New York Stock Exchange under the symbol “GEO.” As of February 21, 2022, we had 497 shareholders of record. Shareholders of record does not include shareholders who own shares held in "street name."

As discussed above, on December 2, 2021, GEO’s Board unanimously approved a plan to terminate our REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. In connection with terminating GEO’s REIT status, the Board also voted unanimously to discontinue our quarterly dividend payments and prioritize allocating GEO’s free cash flow to reduce debt.

**Performance Graph**

The following performance graph compares the performance of our common stock to the Russell 2000, the S&P 500 Commercial Services and Supplies Index, and the MSCI U.S. REIT Index and is provided in accordance with Item 201(e) of Regulation S-K.

**Comparison of Five-Year Cumulative Total Return\*  
The GEO Group, Inc., Russell 2000,  
S&P 500 Commercial Services and Supplies Index  
and MSCI U.S. REIT Index  
(Performance through December 31, 2021)**



Date	The GEO Group, Inc.	Russell 2000	S&P 500 Commercial Services and Supplies	MSCI U.S. REIT Index
December 31, 2016	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
December 31, 2017	\$ 105.08	\$ 113.14	\$ 109.44	\$ 100.86
December 31, 2018	\$ 95.25	\$ 99.37	\$ 106.05	\$ 92.14
December 31, 2019	\$ 88.77	\$ 122.94	\$ 145.49	\$ 111.44
December 31, 2020	\$ 45.98	\$ 145.52	\$ 177.44	\$ 99.06
December 31, 2021	\$ 41.42	\$ 165.45	\$ 229.06	\$ 137.46

Assumes \$100 invested on December 31, 2016 in our common stock and the respective Index.

\* Total return assumes reinvestment of dividends.

**Item 6. [Reserved]**

## **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

### **Introduction**

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of numerous factors including, but not limited to, those described above under "Item 1A. Risk Factors," and "Forward-Looking Statements - Safe Harbor" below. The discussion should be read in conjunction with the consolidated financial statements and notes thereto.

We specialize in the ownership, leasing and management of secure, reentry facilities and processing centers and the provision of community-based services in the United States, Australia and South Africa. We own, lease and operate a broad range of secure facilities including maximum, medium and minimum-security facilities, processing centers, and community-based reentry facilities. We offer counseling, education and/or treatment for alcohol and drug abuse problems at most of the domestic facilities we manage. We are also a provider of innovative compliance technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based parolees, probationers and pretrial defendants. Additionally, we have a contract with ICE to provide supervision and reporting services designed to improve the participation of non-detained aliens in the immigration court system. We develop new facilities based on contract awards, using our project development expertise and experience to design, construct and finance what we believe are state-of-the-art facilities that maximize security and efficiency. We also provide secure transportation services for offender and detainee populations as contracted domestically and in the United Kingdom through our joint venture GEOAmev.

As of December 31, 2021, our worldwide operations included the management and/or ownership of approximately 86,000 beds at 106 correctional, detention and reentry facilities, including idle facilities, and also included the provision of servicing more than 210,000 individuals in a community-based environment on behalf of federal, state and local correctional agencies located in all 50 states.

For the years ended December 31, 2021 and 2020, we had consolidated revenues of \$2.3 billion and \$2.4 billion, respectively, and we maintained an average company-wide facility occupancy rate of 85.4% including 74,834 active beds and excluding 11,200 idle beds for the year ended December 31, 2021, and 86.1% including 89,499 active beds and excluding 3,334 idle beds and beds under development for the year ended December 31, 2020.

### **REIT Election**

On December 2, 2021, we announced that our Board unanimously approved a plan to terminate our REIT election and become a taxable C Corporation, effective for the year ended December 31, 2021. As a result, we are no longer required to operate under REIT rules, including the requirement to distribute at least 90% of REIT taxable income to our stockholders, which provides us with greater flexibility to use our free cash flow. Effective January 1, 2021, we are subject to federal and state income taxes on our taxable income at applicable tax rates, and are no longer entitled to a tax deduction for dividends paid. We operated as a REIT for the 2020 tax year, and existing REIT requirements and limitations, including those established by our organizational documents, remained in place until December 31, 2020. Refer to Note 16 – Income Taxes of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K. The Board also voted unanimously to discontinue our quarterly dividend payment and prioritize allocating our free cash flow to reduce debt.

### **Critical Accounting Policies and Estimates**

The consolidated financial statements in this report are prepared in conformity with U.S. generally accepted accounting principles, or GAAP. As such, we are required to make certain estimates, judgments, and assumptions that we believe are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. A summary of our significant accounting policies is described in Note 1 – Summary of Business Organization, Operations and Significant Accounting Policies of the notes to the consolidated financial statements contained Part II, Item 8 of this Annual Report. The significant accounting policies and estimates which we believe are the most critical to aid in fully understanding and evaluating our reported financial results include the following:

#### ***Asset Impairments***

The following table summarizes the Company's idled facilities as of December 31, 2021 and their respective carrying values, excluding equipment and other assets that can be easily transferred to other facilities.

<u>Facility</u>	<u>Segment</u>	<u>Design Capacity</u>	<u>Year Idled</u>	<u>Net Carrying Value December 31, 2021</u>
Great Plains Correctional Facility	Secure Services	1,940	2021	\$ 68,479
D. Ray James Correctional Facility	Secure Services	1,900	2021	52,724
Rivers Correctional Facility	Secure Services	1,450	2021	39,644
Big Spring Correctional Facility	Secure Services	1,732	2021	35,828
Flightline Correctional Facility	Secure Services	1,800	2021	37,090
McFarland Female Community Reentry Facility	Secure Services	300	2020	11,498
Perry County Correctional Facility	Secure Services	690	2015	11,186
Cheyenne Mountain Recovery Center	Reentry Services	750	2020	17,145
Coleman Hall	Reentry Services	350	2017	8,139
<b>Total</b>		<b>10,912</b>		<b>\$ 281,733</b>

We review long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Events that would trigger an impairment assessment include deterioration of profits for a business segment that has long-lived assets, or when other changes occur that might impair recovery of long-lived assets such as the termination of a management contract or a prolonged decrease in population. If impairment indicators are present, we perform a recoverability test to determine whether or not an impairment loss should be measured.

We test idle facilities for impairment upon notification that the facilities will no longer be utilized by the customer. If a long-lived asset is part of a group that includes other assets, the unit of accounting for the long-lived asset is its group. Generally, we group assets by facility for the purpose of considering whether any impairment exists. The estimates of recoverability are based on projected undiscounted cash flows associated with actual marketing efforts where available or, in other instances, projected undiscounted cash flows that are comparable to historical cash flows from management contracts at similar facilities and sensitivity analyses that consider reductions to such cash flows. Our sensitivity analyses include adjustments to projected cash flows compared to the historical cash flows due to current business conditions which impact per diem rates as well as labor and other operating costs, changes related to facility mission due to changes in prospective clients, and changes in projected capacity and occupancy rates. We also factor in prolonged periods of vacancies as well as the time and costs required to ramp up facility population once a contract is obtained. We perform the impairment analysis on an annual basis for each of the idle facilities and take into consideration updates each quarter for market developments affecting the potential utilization of each of the facilities in order to identify events that may cause the Company to reconsider the most recent assumptions. Such events could include negotiations with a prospective customer for the utilization of an idle facility at terms significantly less favorable than the terms used in our most recent impairment analysis, or changes in legislation surrounding a particular facility that could impact our ability to house certain types of individuals at such facility. Further, a substantial increase in the number of available beds at other facilities we own, or in the marketplace, could lead to deterioration in market conditions and projected cash flows. Although they are not frequently received, an unsolicited offer to purchase any of our idle facilities, at amounts that are less than their carrying value could also cause us to reconsider the assumptions used in the most recent impairment analysis. We have identified marketing prospects to utilize each of the remaining currently idled facilities and have determined that no current impairment exists. However, we can provide no assurance that we will be able to secure management contracts to utilize our idle facilities, or that we will not incur impairment charges in the future.

#### ***Reserves for Insurance Losses***

The nature of our business exposes us to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from the escape of an individual in our care or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. We maintain a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. There can be no assurance that our insurance coverage will be adequate to cover all claims to which we may be exposed. It is our general practice to bring merged or acquired companies into our corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. (“Florina”), to enhance our risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including

with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers' compensation, general liability, automobile liability, medical professional liability and directors and officers' liability as well as procuring insurance policies for its directors' and officers' excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

We currently maintain a general liability policy and excess liability policies with total limits of \$70.0 million per occurrence and \$90.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry services and Electronic Monitoring and Supervision Services. We have a claims-made liability insurance program with a specific loss limit of \$40.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. We are uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers' compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, we carry substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers' compensation, \$2.5 million per occurrence for directors and officers' liability and \$1.0 million per occurrence for automobile liability. In addition, certain of our facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent us from insuring some of its facilities to full replacement value.

With respect to operations in South Africa and Australia, we utilize a combination of locally-procured insurance and global policies to meet contractual insurance requirements and protect us. In addition to these policies, our Australian subsidiary carries tail insurance on a general liability policy related to a discontinued contract.

Of the insurance policies discussed above, our most significant insurance reserves relate to workers' compensation, general liability and auto claims. These reserves, which include Florina's reserves and GEO's legacy reserves, are undiscounted and were \$74.2 million and \$78.9 million as of December 31, 2021 and 2020, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. We use statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, we consider such factors as historical frequency and severity of claims at each of our facilities, claim development, payment patterns and changes in the nature of our business, among other factors. Such factors are analyzed for each of our business segments. Our estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. We also may experience variability between our estimates and the actual settlement due to limitations inherent in the estimation process, including our ability to estimate costs of processing and settling claims in a timely manner as well as our ability to accurately estimate our exposure at the onset of a claim. Because we have high deductible insurance policies, the amount of our insurance expense is dependent on our ability to control our claims experience. If actual losses related to insurance claims significantly differ from our estimates, our financial condition, results of operations and cash flows could be materially adversely impacted.

### ***Goodwill and Other Intangible Assets, Net***

#### ***Goodwill***

We have recorded goodwill as a result of our business combinations. Goodwill is recorded as the difference, if any, between the aggregate consideration paid for an acquisition and the fair value of the net tangible assets and other intangible assets acquired. Our goodwill is not amortized and is tested for impairment annually on the first day of the fourth quarter, and whenever events or circumstances arise that indicate impairment may have occurred. Impairment testing is performed for all reporting units that contain goodwill. The reporting units are the same as the reportable segments for U.S. Secure Services, Electronic Monitoring and Supervision Services, Reentry Services and International Services.

Under provisions of the qualitative analysis, when testing goodwill for impairment, we first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, we determine it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we perform a quantitative impairment test to identify goodwill impairment and measure the amount of goodwill impairment loss to be recognized, if any. The qualitative factors used by GEO's management to determine the likelihood that the fair value of the reporting unit is less than the carrying amount include, among other things, a review of overall economic conditions and their current and future impact on our existing business, our financial performance and stock price, industry outlook and market competition. With respect to the qualitative assessments, management determined that, as of October 1, 2021, it was more likely than not that the fair values of the reporting units exceeded their carrying values. During the year ended December 31, 2020, in connection with our annual impairment test, we performed a quantitative analysis for our Reentry Services Segment using a third-party valuation firm to determine the estimated fair value of the reporting unit using a discounted cash flow model. A discount rate of 10% was utilized to adjust the cash flow forecasts based on management's estimate of a market participant's weighted-average cost of capital. Growth rates for sales and profits were

determined using inputs from our long-term planning process. We also made estimates for discount rates and other factors based on market conditions, historical experience and other economic factors. Changes in these factors could significantly impact the fair value of the reporting unit. With respect to the Reentry Services reporting unit that was assessed quantitatively, management determined that the carrying value exceeded its fair value due to future declines in cash flow projections primarily due to the negative impact of the COVID-19 pandemic on our reentry facilities. As such, we recorded a goodwill impairment charge of \$21.1 million during the year ended December 31, 2020. A change in one or combination of the assumptions discussed above could have impacted the estimated fair value of the reporting unit. If our expectations of future results and cash flows decrease significantly or other economic conditions deteriorate, goodwill may be further impaired.

#### ***Other Intangible Assets, Net***

We have also recorded other finite and indefinite lived intangible assets as a result of previously completed business combinations. Other acquired finite and indefinite lived intangible assets are recognized separately if the benefit of the intangible asset is obtained through contractual or other legal rights, or if the intangible asset can be sold, transferred, licensed, rented or exchanged, regardless of our intent to do so. Our intangible assets include facility management contracts, trade names and technology. The facility management contracts represent customer relationships in the form of management contracts acquired at the time of each business combination; the value of BI's and Protocol Criminal Justice, Inc.'s ("Protocol") trade names represent, among other intangible benefits, name recognition to its customers and intellectual property rights; and the acquired technology represents BI's innovation with respect to its GPS tracking, monitoring, radio frequency monitoring, voice verification monitoring and alcohol compliance systems, Protocol's innovation with respect to its customer relationship management software and Soberlink, Inc.'s innovation with respect to its alcohol monitoring devices. When establishing useful lives, we consider the period and the pattern in which the economic benefits of the intangible asset are consumed or otherwise used up; or, if that pattern cannot be reliably determined, using a straight-line amortization method over a period that may be shorter than the ultimate life of such intangible asset. We also consider the impact of renewal terms when establishing useful lives. We currently amortize our acquired facility management contracts over periods ranging from three to twenty-one years and its acquired technology over seven years to eight years. There is no residual value associated with our finite-lived intangible assets. We review our trade name assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. We do not amortize its indefinite lived intangible assets. We review our indefinite lived intangible assets annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. These reviews resulted in no significant impairment to the carrying value of the indefinite lived intangible assets for all periods presented. We record the costs associated with renewal and extension of facility management contracts as expenses in the period they are incurred.

#### **Recent Accounting Pronouncements**

##### **The Company implemented the following accounting standards during the year ended December 31, 2021:**

In November 2020, the SEC issued a final rule, *Management's Discussion and Analysis, Selected Financial Data, and Supplementary Financial Information*, that amended certain SEC disclosure requirements to primarily modernize, enhance and simplify financial statement disclosures required by Regulation S-K. We have adopted provisions in the rule in the fourth quarter of fiscal 2021, which primarily resulted in the removal of the selected financial data previously required by Item 301 and the removal of the quarterly financial data previously required by Item 302.

In August 2020, the FASB issued ASU 2020-06, "*Debt – Debt with Conversion and Other Options*". The guidance in this update simplifies the accounting for convertible debt and convertible preferred stock by removing the requirements to separately present certain conversion features in equity. In addition, the amendments in the ASU also simplify the guidance in ASC 815-40, "*Derivatives and Hedging: Contracts in an Entity's Own Equity*" by removing certain criteria that must be satisfied in order to classify a contract as equity, which is expected to decrease the number of freestanding instruments and embedded derivatives accounted for as assets or liabilities. Finally, the amendments revise the guidance on calculating earnings per share, requiring use of the if-converted method for all convertible instruments and rescinding an entity's ability to rebut the presumption of share settlement for instruments that may be settled in cash or shares. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. We elected to early adopt this standard effective January 1, 2021. The adoption of this standard did not have a material impact on our financial position, results of operations or cash flows.

In August 2018, the FASB issued ASU No. 2018-14, "*Compensation-Retirement Benefits-Defined Benefit Plans-General (Topic 715.20)*" as a part of its disclosure framework project. The amendments in this update remove, modify and add certain disclosures primarily related to amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the next fiscal year, explanations for reasons for significant gains and losses related to changes in the benefit obligation for the period, and projected and accumulated benefit obligations. The new standard was effective for us beginning January 1, 2021. The adoption of this standard did not have a material impact on our financial position, results of operations or cash flows.

## The following accounting standards will be adopted in future periods:

In March 2020, the FASB issued ASU 2020-04, "Reference Reform Rate (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting," to provide temporary optional expedients and exceptions to the contract modifications, hedge relationships and other transactions affected by reference rate reform if certain criteria are met. This ASU, which was effective upon issuance and may be applied through December 31, 2022, is applicable to all contracts and hedging relationships that reference the London Interbank Offered Rate or any other reference rate expected to be discontinued. We are currently evaluating the impact of reference rate reform and the potential application of this guidance.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants and the SEC did not, or are not expected to, have a material effect on the Company's results of operations or financial position.

## Results of Operations

We have determined that our previously reportable business segment, Facility Construction and Design, no longer qualifies as a reportable segment as it no longer meets certain quantitative thresholds and has been aggregated with our International Services reportable business segment below. In addition, we appointed a new Chief Executive Officer, the chief operating decision maker, during fiscal 2021. Based on changes to the way our chief operating decision maker views the business and financial results used to allocate resources to our electronic monitoring and supervision services operations, along with the growth of the business, we will report the electronic monitoring and supervision services operation as a separate reportable segment. This new segment will be presented as Electronic Monitoring and Supervision Services. Previously, the electronic monitoring and supervision services operations were included in our GEO Care reportable segment. In addition, our GEO Care reportable segment was renamed to Reentry Services and will include services provided to adults for residential and non-residential treatment, educational and community-based programs, pre-release and half-way house programs. We have retroactively restated our segment presentation for the years ended December 31, 2021, 2020 and 2019 to reflect this change. Refer to Note 15 – Business Segments and Geographic Information of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

The following discussion should be read in conjunction with our consolidated financial statements and the notes to the consolidated financial statements accompanying this report. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in the forward-looking statements as a result of certain factors, including, but not limited to, those described under "Item 1A. Risk Factors" and those included in other portions of this report.

### 2021 versus 2020

#### Revenues

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>U.S. Secure Services</b>	\$ 1,488,936	66.0%	\$ 1,571,216	66.9%	\$ (82,280)	(5.2)%
<b>Electronic Monitoring and Supervision Services</b>	278,934	12.4%	241,944	10.3%	36,990	15.3%
<b>Reentry Services</b>	274,893	12.2%	309,398	13.2%	(34,505)	(11.2)%
<b>International Services</b>	213,849	9.5%	227,540	9.7%	(13,691)	(6.0)%
<b>Total</b>	<u>\$ 2,256,612</u>	<u>100.0%</u>	<u>\$ 2,350,098</u>	<u>100.0%</u>	<u>\$ (93,486)</u>	<u>(4.0)%</u>

#### U.S. Secure Services

Revenues decreased by \$82.3 million in 2021 compared to 2020 due to aggregate net decreases of \$194.7 million primarily due to the ramp-down/deactivations of our company-owned D. Ray James, Rivers, Moshannon Valley, Flightline, Big Springs, Reeves I & II and Great Plains Correctional Facilities as well as our Queens Detention Facility and McFarland Female Community Reentry Facility. We also experienced the ramp-down/deactivations of our managed-only Bay and Graceville Correctional Facilities. These decreases were partially offset by aggregate net increases of \$72.5 million resulting from the activations in late 2020 and early 2021 of our company-owned Golden State, Desert View and Central Valley Annexes and our company-owned Eagle Pass Detention Center and our managed-only contract for the El Centro Detention Center in California which was effective in December 2020. In addition, we experienced aggregate net increases in populations, transportation services and/or rates of \$39.9 million primarily due to increased occupancy at our USMS facilities.

The number of compensated mandays in U.S. Secure Services facilities was approximately 18.7 million in 2021 and 21.4 million in 2020. We experienced an aggregate net decrease of approximately 2,700,000 mandays as a result of net decreases in population as a result of

the impact of the COVID-19 pandemic as well as contract terminations, partially offset by contract activations discussed above. We look at the average occupancy in our facilities to determine how we are managing our available beds. The average occupancy is calculated by taking compensated mandays as a percentage of capacity. The average occupancy in our U.S. Secure Services facilities was 88.2% and 88.3% of capacity in 2021 and 2020, respectively, excluding idle facilities.

#### *Electronic Monitoring and Supervision Services*

Revenues increased by \$37.0 million in 2021 compared to 2020 primarily due to increased client and participant counts.

#### *Reentry Services*

Revenues decreased by \$34.5 million in 2021 compared to 2020 primarily related to decreases of \$10.9 million due to contract terminations/closures of underutilized facilities which have been impacted by the COVID-19 pandemic and other economic factors. Additionally, we experienced a decrease of \$38.3 million as a result of the sale of our youth business which was effective July 1, 2021. We also experienced net decreases of \$1.6 million due to decreases in census levels at certain of our community-based and reentry centers due to declines in programs as a result of lower levels of referrals by federal, state and local agencies primarily due to the impact of the COVID-19 pandemic. These decreases were partially offset by increases of \$16.3 million due to new/reactivated contracts and programs.

#### *International Services*

Revenues for International Services decreased by \$13.7 million in 2021 compared to 2020. We experienced a net decrease in revenues of \$27.6 million which was primarily due to the transition of the Arthur Gorrie Correctional Centre to government operation in State of Queensland, Australia at the end of June 2020. Partially offsetting this decrease was an increase due to foreign exchange rate fluctuations of \$14.0 million.

### **Operating Expenses**

	2021	% of Segment Revenues	2020	% of Segment Revenues	\$ Change	% Change
<b>(Dollars in thousands)</b>						
<b>U.S. Secure Services</b>	\$ 1,112,290	74.7%	\$ 1,191,562	75.8%	\$ (79,272)	(6.7)%
<b>Electronic Monitoring and Supervision Services</b>	121,442	43.5%	112,844	46.6%	8,598	7.6%
<b>Reentry Services</b>	205,992	74.9%	261,359	84.5%	(55,367)	(21.2)%
<b>International Services</b>	189,322	88.5%	205,730	90.4%	(16,408)	(8.0)%
<b>Total</b>	<u>\$ 1,629,046</u>		<u>\$ 1,771,495</u>		<u>\$ (142,449)</u>	<u>(8.0)%</u>

Operating expenses consist of those expenses incurred in the operation and management of our Secure Services, Electronic Monitoring and Supervision Services, Reentry Services and International Services segments.

#### *U.S. Secure Services*

Operating expenses for U.S. Secure Services decreased by \$79.3 million in 2021 compared to 2020 primarily due to decreases of \$130.0 million related to the ramp-down/deactivations of our company-owned D. Ray James, Rivers, Moshannon Valley, Big Springs, Flightline, Reeves I & II and Great Plains Correctional Facilities as well as our Queens Detention Facility and McFarland Female Community Reentry Facility. We also experienced the ramp-down/deactivations of our managed-only Bay and Graceville Correctional Facilities. These decreases were partially offset by increases of \$45.1 million resulting from the activations in late 2020 and early 2021 of our company-owned Golden State, Desert View and Central Valley Annexes, our company-owned Eagle Pass Detention Center and our managed-only contract for the El Centro Detention Center in California which was effective in December 2020. Additionally, we experienced aggregate net increases of \$5.6 million primarily due to increased occupancy at our USMS facilities mainly due to the large increase in the number of crossings at the Southern border during 2021 partially offset by decreased occupancy at our ICE facilities and the associated decrease in related variable costs.

#### *Electronic Monitoring and Supervision Services*

Operating expenses increased by \$8.6 million in 2021 compared to 2020 primarily due to increased client and participant counts.

### Reentry Services

Operating expenses decreased by \$55.4 million during 2021 compared to 2020 primarily due to aggregate decreases of \$28.0 million related to contract terminations/closures of underutilized facilities as a result of the COVID-19 pandemic and other economic factors. We also experienced a decrease of \$36.3 million as a result of the sale of our youth business which was effective July 1, 2021. These decreases were partially offset by increases of \$4.2 million due to new/reactivated contracts and programs and day reporting center openings and increases of \$4.7 million in census levels at certain of our community-based and reentry centers. Operating expenses as a percentage of revenue decreased in 2021 compared to 2020 primarily due to the closure of underperforming/underutilized facilities as discussed above.

### International Services

Operating expenses for International Services decreased by \$16.4 million in 2021 compared to 2020. We experienced a net decrease in operating expenses of \$31.4 million which was primarily due to the transition of the Arthur Gorrie Correctional Centre to government operation in State of Queensland, Australia at the end of June 2020. This decrease was partially offset by an increase due to foreign exchange rate fluctuations of \$15.0 million.

### Depreciation and Amortization

	2021	% of Segment Revenue	2020	% of Segment Revenue	\$ Change	% Change
(Dollars in thousands)						
U.S. Secure Services	\$ 83,721	5.6%	\$ 80,702	5.1%	\$ 3,019	3.7%
Electronic Monitoring and Supervision Services	30,422	10.9%	31,678	13.1%	(1,256)	(4.0)%
Reentry Services	18,773	6.8%	20,154	6.5%	(1,381)	(6.9)%
International Services	2,261	1.1%	2,146	0.9%	115	5.4%
<b>Total</b>	<u>\$ 135,177</u>	<u>6.0%</u>	<u>\$ 134,680</u>	<u>5.7%</u>	<u>\$ 497</u>	<u>0.4%</u>

### U.S. Secure Services

U.S. Secure Services depreciation and amortization expense increased in 2021 compared to 2020 primarily due to renovations in connection with our contract activations at certain of our company-owned facilities as previously discussed.

### Electronic Monitoring and Supervision Services

Depreciation and amortization expense decreased in 2021 compared to 2020 due to certain assets becoming fully depreciated and/or amortized.

### Reentry Services

Depreciation and amortization expense decreased in 2021 compared to 2020 primarily due to certain asset dispositions as discussed under Net Gain (Loss) on Asset Dispositions further below.

### International Services

Depreciation and amortization expense increased slightly in 2021 compared to 2020 primarily due to foreign exchange rate fluctuations.

### Other Unallocated Operating Expenses

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
(Dollars in thousands)						
General and Administrative Expenses	\$ 204,306	9.1%	\$ 193,372	8.2%	\$ 10,934	5.7%



General and administrative expenses comprise substantially all of our other unallocated operating expenses which primarily includes corporate management salaries and benefits, professional fees and other administrative expenses. General and administrative expenses increased in 2021 compared to 2020 by \$10.9 million primarily due to one-time employee restructuring expenses of \$9.0 million. We also experienced an increase of \$6.6 million in professional fees for financial and legal advisors assisting us in reviewing capital structure alternatives. Partially offsetting this increase was a decrease in stock-based compensation of \$4.7 million along with less travel, marketing, business development and other corporate administrative expenses primarily due to the impacts of the COVID-19 pandemic.

#### Goodwill Impairment Charges

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
(Dollars in thousands)						
<b>Goodwill Impairment Charges</b>	\$ —	0.0%	\$ 21,146	0.9%	\$ (21,146)	100.0%

In connection with our annual goodwill testing, in 2020 we determined that the carrying value of our reentry services reporting unit exceeded its fair value as a result of projections of future declines in cash flow primarily due to the impact of the COVID-19 pandemic. As such, we recorded a goodwill impairment charge of \$21.1 million during the year ended December 31, 2020. Refer to Note 1 – Summary of Business Organization, Operations and Significant Accounting Policies – *Goodwill and Other Intangible Assets* of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

#### Non-Operating Income and Expense

##### *Interest Income and Interest Expense*

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
(Dollars in thousands)						
<b>Interest Income</b>	\$ 24,007	1.1%	\$ 23,072	1.0%	\$ 935	4.1%
<b>Interest Expense</b>	\$ 129,460	5.7%	\$ 126,837	5.4%	\$ 2,623	2.1%

Interest income increased in 2021 compared to 2020 primarily due to higher cash balances at our international subsidiaries along with the effect of foreign exchange rate fluctuations related to our contract receivable balance for our facility in Ravenhall, Australia.

Interest expense increased in 2021 compared to 2020 primarily due to higher balances on the revolver component of our credit facility. During 2021, we drew down significant amounts on our revolver as a conservative precautionary step to preserve liquidity, maintain financial flexibility, and obtain additional funds for general corporate purposes. Partially offsetting the increase was the effect of decreases in the LIBOR rate. Refer to Note 12- Debt of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

#### Gain on Extinguishment of Debt

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
(Dollars in thousands)						
<b>Gain on Extinguishment of Debt</b>	\$ 4,693	0.2%	\$ 5,319	0.2%	\$ (626)	(11.8)%

During 2021, we repurchased \$22.5 million in aggregate principal amount of our 5.125% Senior Notes at a weighted average price of 90.68% for a total cost of \$20.4 million. Additionally, we repurchased \$17.2 million in aggregate principal amount of our 5.875% Senior Notes at a weighted average price of 79.51% for a total cost of \$13.7 million. As a result of these repurchases, we recognized a net gain on extinguishment of debt of \$4.7 million, net of the write-off of associated unamortized deferred loan costs.

During 2020, we repurchased approximately \$7.5 million in aggregate principal amount of our 5.875% Senior Notes at a weighted average price of 77.28% for a total cost of \$5.8 million. Additionally, during 2020, we repurchased approximately \$18.2 million in aggregate principal amount of our 5.125% Senior Notes at a weighted average price of 78.99% for a total cost of \$14.3 million. As a result of these repurchases, we recognized a net gain on extinguishment of debt of \$5.3 million during the year ended December 31, 2020.

Refer to Note 12- Debt of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

### Net Gain (Loss) on Disposition of Assets

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Net Gain (Loss) on Disposition of Assets</b>	\$ 5,499	0.2%	\$ (6,831)	(0.3)%	\$ 12,330	(180.5)%

The net gain on disposition of assets in 2021 was primarily due to the sale of our interest in Talbot Hall, located in New Jersey, and the sale of our company-owned McCabe Center, located in Texas. The gain was partially offset by a loss on the divestiture of our youth division on July 1, 2021. Refer to Note 17-Commitments, Contingencies and Other Matters of the Notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K. The net loss on disposition of assets in 2020 was primarily due to the impairment of our leased Logan and Toler Hall facilities, located in New Jersey.

### Provision for Income Taxes

	2021	Effective Rate	2020	Effective Rate	\$ Change	% Change
	(Dollars in thousands)					
<b>Provision for Income Taxes</b>	\$ 122,730	63.6%	\$ 20,463	16.5%	\$ 102,267	500%

The provision for income taxes in 2021 increased compared to 2020 along with the effective tax rate principally due to the Company electing to terminate its REIT status and become a taxable C corporation. In 2021, there was a \$74.6 million discrete tax expense, inclusive of a one-time, non-cash deferred tax charge of \$70.8 million related to the termination of the REIT status and a \$3.6 million discrete tax expense related to stock compensation that vested during the period which is similar to the related amount incurred in 2020. In contrast, in 2020, there was a \$4.2 million discrete tax expense, inclusive of a \$3.6 million discrete tax expense related to stock compensation that vested during the period. Furthermore, the effective tax rate increased as a result of the goodwill impairment, which is not deductible for tax purposes. For years prior to 2021, we were a REIT and as such were required to distribute at least 90% of our REIT taxable income to shareholders and in turn were allowed a deduction for the distribution at the REIT level. Our wholly owned taxable REIT subsidiaries were fully subject to federal, state and foreign income taxes, as applicable. We estimate our 2022 annual effective tax rate to be in the range of approximately 27% to 29% exclusive of any discrete items.

### Equity in Earnings of Affiliates

	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Equity in Earnings of Affiliates</b>	\$ 7,141	0.3%	\$ 9,166	0.4%	\$ (2,025)	(22.1)%

Equity in earnings of affiliates, presented net of income taxes, represents the earnings of SACS and GEOAmeY in the aggregate. Equity in earnings of affiliates in 2021 compared to 2020 decreased primarily due to unfavorable performance at GEOAmeY.

## 2020 versus 2019

### Revenues

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
(Dollars in thousands)						
<b>U.S. Secure Services</b>	\$ 1,571,216	66.9%	\$ 1,601,679	64.6%	\$ (30,463)	(1.9)%
<b>Electronic Monitoring and Supervision Services</b>	241,944	10.3%	256,954	10.4%	(15,010)	(5.8)%
<b>Reentry Services</b>	309,398	13.2%	357,295	14.4%	(47,897)	(13.4)%
<b>International Services</b>	227,540	9.7%	261,994	10.6%	(34,454)	(13.2)%
<b>Total</b>	<u>\$ 2,350,098</u>	<u>100.0%</u>	<u>\$ 2,477,922</u>	<u>100.0%</u>	<u>\$ (127,824)</u>	<u>(5.2)%</u>

#### U.S. Secure Services

Revenues decreased in 2020 by \$30.5 million compared to 2019 primarily due to net decreases in populations of \$36.5 million at our ICE processing centers and USMS facilities due to the COVID-19 pandemic, which resulted in declines in crossings and apprehensions along the Southwest border, as well as decreases in court sentencing at the federal levels. Additionally, revenues decreased by \$66.1 million due to the discontinuation of our California Modified Community Correctional Facility contracts along with other contract discontinuations. Various governmental agencies have also taken steps to decrease the number of those in custody to adhere to social distancing protocols. We also experienced net decreases in population, transportation services and/or rates of \$3.7 million at our BOP and state facilities. These decreases were partially offset by increases of \$75.8 million resulting from the activation of our contracts at our company-owned and previously idled South Louisiana Processing Center in Basile, Louisiana during the third quarter of 2019, our company-owned and previously idled North Lake Correctional Facility in Baldwin, Michigan which was activated on October 1, 2019, our managed-only contract for the El Centro Detention Center in California which was effective in December 2019, the activation of our company-owned Golden State Annex facility in California which was effective in September 2020 as well as the activation of the county-owned Reeves County Detention Center I & II in the third quarter of 2019.

The number of compensated mandays in U.S. Secure Services facilities was approximately 21.7 million in 2020 and 23.5 million in 2019. We experienced an aggregate net decrease of approximately 1,800,000 mandays as a result of net decreases in population as a result of the impact of the COVID-19 pandemic as well as contract terminations, partially offset by contract activations discussed above. We look at the average occupancy in our facilities to determine how we are managing our available beds. The average occupancy is calculated by taking compensated mandays as a percentage of capacity. The average occupancy in our U.S. Secure Services facilities was 89.3% and 94.9% of capacity in 2020 and 2019, respectively, excluding idle facilities.

#### Electronic Monitoring and Supervision Services

Revenues decreased in 2020 by \$15.0 million compared to 2019 primarily due to decreases in blended rates and average client and participant counts.

#### Reentry Services

Revenues decreased in 2020 by \$47.9 million compared to 2019 primarily due to aggregate decreases of \$42.4 million related to contract discontinuations/closures of underutilized facilities which have been impacted by the COVID-19 pandemic and other factors. In addition, we experienced decreases of \$11.4 million related to net decreases in census levels at certain of our community-based and reentry centers due to declines in programs as a result of lower levels of referrals by federal, state and local agencies primarily due to the impact of the COVID-19 pandemic. These decreases were partially offset by increases of \$5.9 million due to new/reactivated contracts and programs.

#### International Services

Revenues for International Services decreased by \$34.5 million in 2020 compared to 2019 which was primarily due to the transition of the Arthur Gorrie Correctional Centre to government operation in State of Queensland, Australia at the end of June 2020 along with the effects of foreign exchange rate fluctuations.

## Operating Expenses

	2020	% of Segment Revenues	2019	% of Segment Revenues	\$ Change	% Change
(Dollars in thousands)						
<b>U.S. Secure Services</b>	\$ 1,191,562	75.8%	\$ 1,199,314	74.9%	\$ (7,752)	(0.6)%
<b>Electronic Monitoring and Supervision Services</b>	112,844	46.6%	122,588	47.7%	(9,744)	(7.9)%
<b>Reentry Services</b>	261,359	84.5%	293,036	82.0%	(31,677)	(10.8)%
<b>International Services</b>	205,730	90.4%	243,127	92.8%	(37,397)	(15.4)%
<b>Total</b>	<u>\$ 1,771,495</u>		<u>\$ 1,858,065</u>		<u>\$ (86,570)</u>	<u>(4.7)%</u>

### *U.S. Secure Services*

Operating expenses for U.S. Secure Services decreased by \$7.8 million in 2020 compared to 2019. We experienced decreases of \$31.5 million at certain of our facilities primarily due to contract discontinuations. Additionally, we experienced aggregate net decreases of \$26.8 million related to decreases in population, transportation services and the variable costs associated with those services primarily as a result of the impacts of the COVID-19 pandemic as described above. These decreases were partially offset by increases of \$50.5 million from the activation of our contracts at our company-owned and previously idled South Louisiana Processing Center in Basile, Louisiana during the third quarter of 2019, our company-owned and previously idled North Lake Correctional Facility in Baldwin, Michigan which was activated on October 1, 2019, our managed-only contract for the El Centro Detention Center in California which was effective in December 2019 as well as activation of our company-owned Golden State Annex facility in California which was effective in September 2020.

### *Electronic Monitoring and Supervision Services*

Operating expenses decreased by \$9.7 million in 2020 compared to 2019 primarily due to decreases in average client and participant counts.

### *Reentry Services*

Operating expenses for Reentry Services decreased by \$31.7 million during 2020 compared to 2019 primarily due to net decreases of \$30.2 million from contract discontinuations/closures of underutilized facilities. Additionally, we experienced \$7.3 million of net decreases related to census levels at certain of our community-based reentry centers and day reporting centers due to the impact of the COVID-19 pandemic. These decreases were partially offset by increases of \$5.8 million due to new/reactivated contracts and programs and day reporting center openings.

### *International Services*

Operating expenses for International Services decreased by \$37.4 million in 2020 compared to 2019 which was primarily due to the transition of the Arthur Gorrie Correctional Centre to government operation in State of Queensland, Australia at the end of June 2020 along with the effects of foreign exchange rate fluctuations.

## Depreciation and Amortization

	2020	% of Segment Revenue	2019	% of Segment Revenue	\$ Change	% Change
(Dollars in thousands)						
<b>U.S. Secure Services</b>	\$ 80,702	5.1%	\$ 78,974	4.9%	\$ 1,728	2.2%
<b>Electronic Monitoring and Supervision Services</b>	31,678	13.1%	29,828	11.6%	1,850	6.2%
<b>Reentry Services</b>	20,154	6.5%	19,953	5.6%	201	1.0%
<b>International Services</b>	2,146	0.9%	2,070	0.8%	76	3.7%
<b>Total</b>	<u>\$ 134,680</u>	<u>6.0%</u>	<u>\$ 130,825</u>	<u>5.6%</u>	<u>\$ 3,855</u>	<u>2.9%</u>

### U.S. Secure Services

U.S. Secure Services depreciation and amortization expense increased in 2020 compared to 2019 primarily due to renovations in connection with our contract activations at certain of our company-owned facilities as previously discussed.

### Electronic Monitoring and Supervision Services

Electronic Monitoring and Supervisions Services depreciation and amortization expense increased in 2020 compared to 2019 due to certain leasehold improvement and equipment additions.

### Reentry Services

Reentry Services depreciation and amortization expense increased in 2020 compared to 2019 primarily due to renovations at certain of our centers.

### International Services

Depreciation and amortization expense increased slightly in 2020 compared to 2019 as a result of renovations during 2019 and 2020 at several of our international facilities.

## Other Unallocated Operating Expenses

### General and Administrative Expenses

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>General and Administrative Expenses</b>	\$ 193,372	8.2%	\$ 185,926	7.5%	\$ 7,446	4.0%

General and administrative expenses comprise substantially all of our other unallocated operating expenses which primarily includes corporate management salaries and benefits, professional fees and other administrative expenses. General and administrative expenses increased in 2020 compared to 2019 primarily due to higher stock-based compensation expense of \$1.6 million, \$2.5 million in insurance expense associated with policy renewals as well as normal personnel and compensation adjustments, professional, consulting, business development and other administrative expenses including COVID-19 related expenses. These increases were partially offset by less travel, marketing and other corporate administrative expenses primarily due to the impacts of the COVID-19 pandemic.

### Goodwill Impairment Charges

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Goodwill Impairment Charges</b>	\$ 21,146	0.9%	\$ —	0.0%	\$ 21,146	100.0%

In connection with our annual goodwill testing, we determined that the carrying value of our reentry services reporting unit exceeded its fair value as a result of projections of future declines in cash flow primarily due to the impact of the COVID-19 pandemic. As such, we recorded a goodwill impairment charge of \$21.1 million during the year ended December 31, 2020.

## Non-Operating Income and Expense

### Interest Income and Interest Expense

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Interest Income</b>	\$ 23,072	1.0%	\$ 28,934	1.2%	\$ (5,862)	(20.3)%
<b>Interest Expense</b>	\$ 126,837	5.4%	\$ 151,024	6.1%	\$ (24,187)	(16.0)%

Interest income decreased in 2020 compared to 2019 primarily due to the effect of foreign exchange rate fluctuations related to our contract receivable balance for our facility in Ravenhall, Australia.

Interest expense decreased in 2020 compared to 2019 primarily due to lower interest rates on our variable rate debt. Also contributing to the decrease was a reduction in higher interest rate debt balances. During 2019, we repurchased approximately \$56.0 million in aggregate principal amount of its 5.875% Senior Notes due 2022. During 2020, we repurchased approximately \$7.5 million in aggregate principal amount of its 5.875% Senior Notes due 2024. Additionally, during 2020, we repurchased approximately \$18.2 million in aggregate principal amount of its 5.125% Senior Notes due 2023.

#### Gain (Loss) on Extinguishment of Debt

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Gain (Loss) on Extinguishment of Debt</b>	\$ 5,319	0.2%	\$ (4,795)	-0.2%	\$ 10,114	(210.9)%

During 2020, we repurchased approximately \$7.5 million in aggregate principal amount of our 5.875% Senior Notes due 2024 at a weighted average price of \$78.99 for a total cost of \$5.8 million. Additionally, during 2020, we repurchased approximately \$18.2 million in aggregate principal amount of our 5.125% Senior Notes due 2023 at a weighted average price of \$77.28 for a total cost of \$14.4 million. As a result of these repurchase, we incurred a net gain on extinguishment of debt of \$5.3 million.

On May 22, 2019, we completed an offering of non-recourse notes related to our Ravenhall facility in Australia. The net proceeds from this offering were used to refinance our outstanding construction facility. As a result of the transaction, we incurred a \$4.5 million loss on extinguishment of debt related to swap termination fees and unamortized deferred loan costs associated with the construction facility. Additionally, on June 12, 2019, GEO entered into Amendment No. 2 to our credit agreement. Under the amendment, the maturity date of our revolver has been extended to May 17, 2024. As a result of the amendment, we incurred a loss on extinguishment of debt of \$1.2 million related to certain unamortized deferred loan costs.

Additionally, during 2019, we repurchased approximately \$56 million in aggregate principal amount of our 5.875% Senior Notes due 2022 at a weighted average price of 97.55% for a total cost of \$54.7 million. As the result of the repurchases, we recognized a net gain on extinguishment of debt of \$0.9 million which partially offset the loss discussed above.

#### Net Loss on Disposition of Assets

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
<b>Loss on Disposition of Assets</b>	\$ 6,831	0.3%	\$ 2,693	0.1%	\$ 4,138	153.7%

The net loss on disposition of assets in 2020 was primarily due to the impairment of our leased Logan and Toler Hall facilities, located in New Jersey. The net loss on disposition of assets in 2019 was primarily due to the impairment of our Penn Pavillion regional office in New Jersey and our JB Evans Correctional Center in Louisiana.

#### Provision for Income Taxes

	2020	Effective Rate	2019	Effective Rate	\$ Change	% Change
	(Dollars in thousands)					
<b>Provision for Income Taxes</b>	\$ 20,463	16.5%	\$ 16,648	9.6%	\$ 3,815	23%

The provision for income taxes in 2020 increased compared to 2019 along with the effective tax rate which is due to a change in the composition of our income between our REIT and TRS subsidiaries and certain non-recurring items. In 2020, there was a \$4.2 million discrete tax expense, inclusive of a \$3.6 million discrete tax expense related to stock compensation that vested during the period. In contrast, in 2019, there was a \$0.5 million discrete tax benefit, net of a \$0.2 million discrete tax expense related to stock compensation that vested during the period. Furthermore, the effective tax rate increased as a result of the impairment, which is not deductible for tax purposes. As a REIT, we were required to distribute at least 90% of our taxable income to shareholders and in turn are allowed a deduction for the distribution at the REIT level. Our wholly owned taxable REIT subsidiaries continued to be fully subject to federal, state and foreign income taxes, as applicable.

## Equity in Earnings of Affiliates

	2020	% of Revenue	2019	% of Revenue	\$ Change	% Change
<b>Equity in Earnings of Affiliates</b>	\$ 9,166	0.4%	\$ 9,532	0.4%	\$ (366)	(3.8)%

Equity in earnings of affiliates, presented net of income taxes, represents the earnings of SACS and GEOAmeY in the aggregate. Equity in earnings of affiliates in 2020 compared to 2019 decreased slightly primarily due to the effects of foreign exchange rate fluctuations.

## Financial Condition

### Capital Requirements

Our current cash requirements consist of amounts needed for working capital, debt service, supply purchases, investments in joint ventures, and capital expenditures related to either the development of new secure, processing and reentry facilities, or the maintenance of existing facilities. In addition, some of our management contracts require us to make substantial initial expenditures of cash in connection with opening or renovating a facility. Generally, these initial expenditures are subsequently fully or partially recoverable as pass-through costs or are billable as a component of the per diem rates or monthly fixed fees to the contracting agency over the original term of the contract. Additional capital needs may also arise in the future with respect to possible acquisitions, other corporate transactions or other corporate purposes.

As of December 31, 2021, we were developing a number of contractually committed projects that we estimate will cost approximately \$20.9 million, of which \$8.3 million was spent through December 31, 2021. We estimate our remaining contractually committed capital requirements to be approximately \$12.6 million. These projects are expected to be completed through 2022.

We plan to fund all of our capital needs, including capital expenditures, from cash on hand, cash from operations, borrowings under our Senior Credit Facility and any other financings which our management and Board of Directors, in their discretion, may consummate. Currently, our primary source of liquidity to meet these requirements is cash flow from operations and borrowings under the \$900.0 million Revolver. Our management believes that cash on hand, cash flows from operations and availability under our Senior Credit Facility will be adequate to support our capital requirements for 2022 as disclosed under "Capital Requirements" above.

### Liquidity and Capital Resources

#### 6.50% Exchangeable Senior Notes due 2026

On February 24, 2021, our wholly-owned subsidiary, GEO Corrections Holdings, Inc. ("GEOCH"), completed a private offering of \$230 million aggregate principal amount of 6.50% exchangeable senior unsecured notes due 2026 (the "Convertible Notes"), which included the full exercise of the initial purchasers' over-allotment option to purchase an additional \$30 million aggregate principal amount of Convertible Notes. The Convertible Notes will mature on February 23, 2026, unless earlier repurchased or exchanged. The Convertible Notes bear interest at the rate of 6.50% per year plus an additional amount based on the dividends paid by GEO on its common stock. Interest on the notes is payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2021.

Subject to certain restrictions on share ownership and transfer, holders may exchange the notes at their option prior to the close of business on the business day immediately preceding November 25, 2025, but only under the following circumstances: (1) during the five consecutive business day period after any five consecutive trading day period, or the measurement period, in which the trading price per \$1,000 principal amount of notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of our common stock and the exchange rate for the notes on each such trading day; or (2) upon the occurrence of certain specified corporate events. On or after November 25, 2025, until the close of business on the second scheduled trading day immediately preceding the maturity date of the notes, holders may exchange their notes at any time, regardless of the foregoing circumstances. Upon exchange of a note, we will pay or deliver, as the case may be, cash or a combination of cash and shares of our common stock. As of December 31, 2021, conditions had not been met to exchange the notes.

Upon conversion, we will pay or deliver, as the case may be, cash or a combination of cash and shares of common stock. The initial conversion rate is 108.4011 shares of common stock per \$1,000 principal amount of Convertible Notes (equivalent to an initial conversion price of approximately \$9.225 per share of common stock). The conversion rate will be subject to adjustment in certain events. If GEO or GEOCH undergoes a fundamental change, holders may require GEOCH to purchase the notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.

We used the net proceeds from this offering, including the exercise in full of the initial purchasers' over-allotment option, to fund the redemption of the then outstanding amount of approximately \$194.0 million of our existing 5.875% senior notes due 2022, to re-purchase additional senior notes and we used the remaining net proceeds to pay related transaction fees and expenses, and for general corporate purposes of the Company. As a result of the redemption, deferred loan costs in the amount of approximately \$0.7 million were written off to loss on extinguishment of debt during the year ended December 31, 2021.

The notes were offered in the United States only to persons reasonably believed to be "qualified institutional buyers" pursuant to Rule 144A under the Securities Act, and outside of the United States to non-U.S. persons in compliance with Regulation S under the Securities Act. Neither the notes nor any of the shares of the Company's common stock issuable upon exchange of the notes, if any, have been, or will be, registered under the Securities Act and, unless so registered, may not be offered or sold in the United States, except pursuant to an applicable exemption from the registration requirements under the Securities Act.

### ***Credit Agreement***

On June 12, 2019, we entered into Amendment No. 2 to the Third Amended and Restated Credit Agreement (the "Credit Agreement") by and among the refinancing lenders party thereto, the other lenders party thereto, GEO and GEO Corrections Holdings, Inc. and the administrative agent. Under the amendment, the maturity date of the revolver component of the Credit Agreement has been extended to May 17, 2024. The borrowing capacity under the amended revolver will remain at \$900 million, and its pricing will remain unchanged, currently bearing interest at LIBOR plus 2.25%. As a result of the transaction, we incurred a loss on extinguishment of debt of \$1.2 million related to certain unamortized deferred loan costs. Additionally, loan costs of \$4.7 million were incurred and capitalized in connection with the transaction.

A syndicate of approximately 65 lenders participate in our Credit Agreement, six of which have indicated that they do not intend to provide new financing to GEO but will honor their existing obligations. Refer to Item 1A - Risk Factors included in Part I of this Annual Report on Form 10-K for further discussion. The banks that have withdrawn participation remain contractually committed for approximately three years. Additionally, these six banks represent 54% of the lending commitments under the revolver component of our senior credit facility. We are in frequent communication with potential new lenders as well as the credit rating agencies. In March 2021, Moody's Investors Service downgraded GEO's issuer rating to B2 and in May 2021, Standard & Poor's S&P Global downgraded GEO's issuer rating to CCC+.

As of December 31, 2021, we had \$762.0 million in aggregate borrowings outstanding under the Term Loan, \$784.9 million in borrowings under the revolver, and approximately \$95.8 million in letters of credit which left \$19.3 million in additional borrowing capacity under the revolver. In addition, we have the ability to increase the Senior Credit Facility by an additional \$450.0 million, subject to lender demand and prevailing market conditions and satisfying the relevant borrowing conditions thereunder. Refer to Note 12 - Debt in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

### ***Debt Repurchases***

On August 16, 2019, our Board authorized us to repurchase and/or retire a portion of the 6.00% Senior Notes due 2026, the 5.875% Senior Notes due 2024, the 5.125% Senior Notes due 2023, the 5.875% Senior Notes due 2022 (collectively the "GEO Senior Notes") and our term loan under our Amended Credit Agreement through cash purchases, in open market, privately negotiated transactions, or otherwise, up to an aggregate maximum of \$100.0 million, subject to certain limitations through December 31, 2020. On February 11, 2021, our Board authorized a new repurchase program for repurchases/retirements of the above referenced GEO Senior Notes and term loan, subject to certain limitations up to an aggregate maximum of \$100.0 million through December 31, 2022.

During 2021, we repurchased \$22.5 million in aggregate principal amount of our 5.125% Senior Notes due 2023 at a weighted average price of 90.68% for a total cost of \$20.4 million. Additionally, we repurchased \$17.2 million in aggregate principal amount of our 5.875% Senior Notes due 2024 at a weighted average price of 79.51% for a total cost of \$13.7 million. As a result of these repurchases, we recognized a net gain on extinguishment of debt of \$4.7 million, net of the write-off of associated unamortized deferred loan costs.

During 2020, we repurchased approximately \$7.5 million in aggregate principal amount of our 5.875% Senior Notes due 2024 at a weighted average price of 77.28% for a total cost of \$5.8 million. Additionally, during 2020, we repurchased approximately \$18.2 million in aggregate principal amount of our 5.125% Senior Notes due 2023 at a weighted average price of 78.99% for a total cost of \$14.3 million. As a result of these repurchases, we recognized a net gain on extinguishment of debt of \$5.3 million during the year ended December 31, 2020.

We consider opportunities for future business and/or asset acquisitions as we deem appropriate when market conditions present opportunities. If we are successful in our pursuit of any new projects, our cash on hand, cash flows from operations and borrowings under the existing Credit Facility may not provide sufficient liquidity to meet our capital needs and we could be forced to seek additional financing or refinance our existing indebtedness. There can be no assurance that any such financing or refinancing would be available to us on terms equal to or more favorable than our current financing terms, or at all. Additionally, the magnitude, severity and duration of the COVID-19 pandemic



may negatively impact the availability of opportunities for future business and/or asset acquisitions and market conditions generally. In the future, our access to capital and ability to compete for future capital intensive projects will also be dependent upon, among other things, our ability to meet certain financial covenants in the indenture governing the 5.125% Senior Notes, the indenture governing the 5.875% Senior Notes due 2024, the indenture governing the 6.00% Senior Notes, the indenture governing our Convertible Notes and our Credit Agreement. A substantial decline in our financial performance could limit our access to capital pursuant to these covenants and have a material adverse effect on our liquidity and capital resources and, as a result, on our financial condition and results of operations. In addition to these foregoing potential constraints on our capital, a number of state government agencies have been suffering from budget deficits and liquidity issues. While we were in compliance with our debt covenants as of December 31, 2021 and we expect to continue to be in compliance with our debt covenants, if these constraints were to intensify, our liquidity could be materially adversely impacted as could our ability to remain in compliance with these debt covenants.

We may from time to time seek to purchase or retire our outstanding senior notes through repurchases, redemptions and/or exchanges for equity securities, in open market purchases, privately negotiated transactions or otherwise. Such repurchases, redemptions or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

### ***Senior Credit Facility***

In 2021, we elected to draw down significant amounts in borrowings under the revolver component of our credit facility as a conservative precautionary step to preserve liquidity, maintain financial flexibility and obtain funds for general business purposes.

### ***Quarterly Dividends***

As previously discussed above, on December 2, 2021, GEO's Board unanimously approved a plan to terminate our REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. In connection with terminating the GEO's REIT status, the Board also voted unanimously to discontinue our quarterly dividend payments and prioritize allocating GEO's free cash flow to reduce debt.

### ***Stock Buyback Program***

On February 14, 2018, we announced that our Board authorized a stock buyback program authorizing us to repurchase up to a maximum of \$200 million of our shares of common stock. The stock buyback program was funded primarily with cash on hand, free cash flow and borrowings under our \$900 million revolving credit facility. The program expired on October 20, 2020. The stock buyback program was intended to be implemented through purchases made from time to time in the open market or in privately negotiated transactions, in accordance with applicable SEC requirements. The stock buyback program did not obligate us to purchase any specific amount of our common stock and could have been suspended or extended at any time at the discretion of our Board. During the year ended December 31, 2020, we purchased 553,665 shares of our common stock at a cost of \$9.0 million primarily purchased with proceeds from our Revolver. There were no purchases of our common stock during the years ended December 31, 2021 or 2019.

### ***Automatic Shelf Registration on Form S-3***

On October 30, 2020, we filed an automatic shelf registration on Form S-3 with the SEC that enables us to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. The shelf registration statement is automatically effective and is valid for three years.

### ***Prospectus Supplement***

On June 28, 2021, in connection with the shelf registration, we filed with the SEC a prospectus supplement related to the offer and sale from time to time of our common stock at an aggregate offering price of up to \$300 million through sales agents. Sales of shares of our common stock under the prospectus supplement and equity distribution agreements entered into with the sales agents, if any, will be made in negotiated transactions or transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933. There were no shares of common stock sold under this prospectus supplement during the year ended December 31, 2021.

## *Non-Recourse Debt*

### ***Northwest ICE Processing Center***

On December 9, 2011, the Washington Economic Development Finance Authority issued \$54.4 million of its Washington Economic Development Finance Authority Taxable Economic Development Revenue Bonds, series 2011 ("2011 Revenue Bonds"). The 2011 Revenue Bonds were issued to provide funds to make a loan to Correctional Services Corporation ("CSC") for purposes of reimbursing GEO for costs incurred by GEO for the 2009 expansion of the Northwest ICE Processing Center and paying the costs of issuing the 2011 Revenue Bonds. The payment of principal and interest on the bonds was non-recourse to GEO. None of the bonds nor CSC's obligations under the loan were obligations of GEO nor were they guaranteed by GEO. The 2011 Revenue Bonds matured in October 2021 and were satisfied in full.

### ***Australia - Ravenhall***

In connection with a design and build facility project agreement with the State of Victoria, in September 2014 we entered into a syndicated facility agreement (the "Construction Facility") to provide debt financing for construction of the project. Refer to Note 6 - Contract Receivable in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K. The Construction Facility provided for non-recourse funding up to AUD 791 million, or \$609.8 million, based on exchange rates as of December 31, 2021. Construction draws were funded throughout the project according to a fixed utilization schedule as defined in the syndicated facility agreement. The term of the Construction Facility was through September 2019 and bore interest at a variable rate quoted by certain Australian banks plus 200 basis points. On May 22, 2019, we completed an offering of AUD 461.6 million, or \$355.2 million, based on exchange rates as of December 31, 2021, aggregate principal amount of non-recourse senior secured notes due 2042 (the "Non-Recourse Notes"). The amortizing Non-Recourse Notes were issued by Ravenhall Finance Co Pty Limited in a private placement pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended. The Non-Recourse Notes were issued with a coupon and yield to maturity of 4.23% with a maturity date of March 31, 2042. The net proceeds from this offering were used to refinance the outstanding Construction Facility and to pay all related fees, costs and expenses associated with the transaction. As a result of the transaction, we incurred a \$4.5 million loss on extinguishment of debt related to swap termination fees and unamortized deferred loan costs associated with the Construction Facility. Additionally, loan costs of approximately \$7.5 million were incurred and capitalized in connection with the offering.

### ***Other***

In August 2019, we entered into two identical Notes (as defined below) in the aggregate amount of \$44.3 million which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The terms of the Notes are through September 1, 2034 and bear interest at LIBOR plus 200 basis points and are payable in monthly installments plus interest. We have entered into interest rate swap agreements to fix the interest rate to 4.22%. Included in the balance at December 31, 2021 is \$0.6 million of deferred loan costs incurred in the transaction. Refer to Note 7 – Derivative Financial Instruments in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

### ***Guarantees***

The Company has entered into certain guarantees in connection with the design, financing and construction of certain facilities as well as loan, working capital and other obligation guarantees for our subsidiaries in Australia, South Africa and our joint ventures. Refer to Note 12 - Debt in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

### ***Executive Retirement Agreement***

We have a non-qualified deferred compensation agreement with our former Chief Executive Officer ("former CEO"). The agreement provides for a lump sum payment upon retirement, no sooner than age 55. As of December 31, 2021, the former CEO had reached age 55 and was eligible to receive the payment upon retirement. If the Company's former CEO had retired as of December 31, 2021, we would have had to pay him a lump sum of approximately \$5.0 million in cash.

GEO and our former CEO, entered into on May 27, 2021, and effective July 1, 2021, an Amended and Restated Executive Retirement Agreement which replaced the prior February 26, 2020 agreement discussed below. Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that the former CEO ceases to provide services to GEO, we will pay to the former CEO an amount equal to \$3,600,000 (the "2021 Grandfathered Payment") which shall be paid in cash. The Grandfathered Payment shall be credited with interest at a rate of 5% compounded quarterly (the "Grandfathered Earnings Account"). Additionally, at the end of each calendar year provided that Mr. Zoley is still providing services to GEO pursuant to the Executive Chairman Agreement, we will credit an amount equal to \$1,000,000 at the end of each calendar year (the "Employment Contributions Account"). The Employment Contributions Account will be credited with interest at the rate of 5% compounded quarterly. Upon the date that Mr. Zoley ceases to provide services to GEO, we will pay Mr. Zoley in one lump sum cash payment each of the 2021 Grandfathered Payment, the Grandfathered Earnings Account and the Employment Contributions Account subject to the six-month delay provided in the Amended and Restated Executive Retirement Agreement. As the former CEO's retirement payment will no longer be settled with a fixed number of shares of GEO's common stock, \$3,600,000 has been reclassified from equity to other non-current liabilities in 2021. Refer to Note 17 – Commitments, Contingencies and Other Matters of the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further information.

The prior executive retirement agreement entered into on February 26, 2020 provided that upon the former CEO's retirement from GEO, we would have had to pay a lump sum amount equal to \$8,925,065 (determined as of February 26, 2020) (the "Grandfathered Payment") which would have been paid in the form of a fixed number of shares of our common stock. The Grandfathered Payment would have been delayed for six months and a day following the effective date of our former CEO's termination of employment in compliance with Section 409A of the Internal Revenue Code of 1986, as amended.

On February 26, 2020, an amount equal to the Grandfathered Payment was invested in our common stock ("GEO Shares"). The number of our shares of common stock as of this date was equal to the Grandfathered Payment divided by the closing price of our common stock on this date (rounded up to the nearest whole number of shares), which equaled 553,665 shares of our common stock. Additional shares of our common stock were credited with a value equal to any dividends declared and paid on our shares of common stock, calculated by reference to the closing price of our common stock on the payment date for such dividends (rounded up to the nearest whole number of shares).

We had established several trusts for the purpose of paying the retirement benefit pursuant to the amended and restated executive retirement agreement. The trusts were revocable "rabbi trusts" and the assets of the trusts are subject to the claims of our creditors in the event of our insolvency.

### ***Guarantor Financial Information***

GEO's 6.50% Exchangeable Senior Notes, 6.00% Senior Notes, 5.125% Senior Notes and the 5.875% Senior Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by certain of our wholly-owned domestic subsidiaries (the "Subsidiary Guarantors").

Summarized financial information is provided for The GEO Group, Inc. ("Parent") and the Subsidiary Guarantors on a combined basis in accordance with SEC Regulation S-X Rules 3-10 and 13-01. The accounting policies used in the preparation of this summarized financial information are consistent with those elsewhere in the condensed consolidated financial statements of the Company, except that intercompany transactions and balances of the Parent and Subsidiary Guarantor entities with non-guarantor entities have not been eliminated. Intercompany transactions between the Parent and Subsidiary Guarantors have been eliminated and equity in earnings from and investments in non-guarantor subsidiaries have not been presented.

Summarized statement of operations (in thousands):

	<b>Year Ended December 31, 2021</b>
Net operating revenues	\$ 2,032,884
Income from operations	267,413
Net income	45,312
Net income attributable to The GEO Group, Inc.	45,312

Summarized balance sheets (in thousands):

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
Current assets	\$ 707,457	\$ 607,044
Noncurrent assets (a)	3,115,622	3,268,260
Current liabilities	314,233	350,041
Noncurrent liabilities (b)	2,820,252	2,737,673

(a) Includes amounts due from non-guarantor subsidiaries of \$22.5 million and \$26.7 million as of December 31, 2021 and 2020, respectively.

(b) Includes amounts due to non-guarantor subsidiaries of \$14.8 million and \$17.4 million as of December 31, 2021 and 2020, respectively.

### ***Off-Balance Sheet Arrangements***

Except as discussed above, and in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, we do not have any off-balance sheet arrangements.

We are also exposed to various commitments and contingencies which may have a material adverse effect on our liquidity. See Note 17 – Commitments, Contingencies and Other Matters in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

### ***Derivatives***

In August 2019, we entered into two interest rate swap agreements in the aggregate notional amount of \$44.3 million to fix the interest rate on certain of our variable rate debt to 4.22%. We have designated these interest rate swaps as hedges against changes in the cash flows of two identical promissory notes (the "Notes") which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. We have determined that the swaps have payment, expiration dates, and provisions that coincide with the terms of the Notes and are therefore considered to be effective cash flow hedges. Accordingly, we record the change in fair value of the interest rate swaps as accumulated other comprehensive income (loss), net of applicable taxes. Total unrealized gains recorded in total other comprehensive income (loss), net of tax, related to these cash flow hedges was \$2.2 million during the year ended December 31, 2021. The total fair value of the swap liabilities as of December 31, 2021 was \$3.2 million and is recorded as a component of Other Non-Current liabilities within the accompanying balance sheet. There was no material ineffectiveness for the period presented. We do not expect to enter into any transactions during the next twelve months which would result in reclassification into earnings or losses associated with these swaps currently reported in accumulated other comprehensive income (loss). Refer to Note 12 - Debt and Note 7 - Derivative Financial Instruments in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further information.

Our Australian subsidiary entered into interest rate swap agreements to fix the interest rate on our variable rate non-recourse debt related to a project in Ravenhall, a locality near Melbourne, Australia to 4.2%. We determined that the swaps had payment, expiration dates, and provisions that coincided with the terms of the non-recourse debt and were therefore considered to be effective cash flow hedges. Accordingly, we recorded the change in the fair value of the interest rate swaps in accumulated other comprehensive income (loss), net of applicable income taxes. On May 22, 2019, we refinanced the associated debt and terminated the swap agreements which resulted in the reclassification of \$3.9 million into losses that were previously reported in accumulated other comprehensive income (loss). Refer to Note 12 - Debt and Note 7 - Derivative Financial Instruments in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further information.

### ***Cash Flow***

Cash, cash equivalents, restricted cash and cash equivalents as of December 31, 2021 was \$548.3 million, compared to \$311.9 million as of December 31, 2020 and was impacted by the following:

Net cash provided by operating activities in 2021 and 2020 was \$282.6 million and \$441.7 million, respectively. Net cash provided by operating activities in 2021 was positively impacted by non-cash expenses such as depreciation and amortization, deferred tax provision, amortization of debt issuance costs, discount and/or premium and other non-cash interest, stock-based compensation expense, loss on sale/disposal of property and equipment and dividends received from our unconsolidated joint venture. Equity in earnings of affiliates negatively impacted cash along with gain on extinguishment of debt and net gain on disposition of assets. Changes in accounts receivable, prepaid expenses and other assets decreased in total by a net of \$9.5 million, representing a positive impact on cash. The decrease was primarily driven by the timing of billings and collections. Changes in accounts payable, accrued expenses and other liabilities increased by \$58.1 million which positively impacted cash. The increase was primarily due to the timing of payments.

Additionally, cash provided by operating activities in 2021 was positively impacted by a decrease in contract receivable of \$6.2 million. The decrease relates to the timing of payments received and interest accrued, along with the effect of foreign exchange rates, related to the Ravenhall Project. Refer to Note 6 - Contract Receivable included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Net cash provided by operating activities in 2020 was positively impacted by non-cash expenses such as depreciation and amortization, deferred tax provision, amortization of debt issuance costs, discount and/or premium and other non-cash interest, stock-based compensation expense, loss on extinguishment of debt, goodwill impairment charges and dividends received from our unconsolidated joint venture. Equity in earnings of affiliates negatively impacted cash. Changes in accounts receivable, prepaid expenses and other assets decreased in total by a net of \$68.2 million, representing a positive impact on cash. The decrease was primarily driven by the timing of billings and collections. Changes in accounts payable, accrued expenses and other liabilities increased by \$57.3 million which positively impacted cash. The increase was primarily due to the timing of payments and also due to accruals for the deferral of the employer's share of Social Security taxes of \$42 million under the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). Refer to Note 17 – Commitments, Contingencies and Other Matters included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Additionally, cash provided by operating activities in 2020 was positively impacted by a decrease in contract receivable of \$5.2 million. The decrease relates to the timing of payments received and interest accrued, along with the effect of foreign exchange rates, related to the Ravenhall Project. Refer to Note 6 - Contract Receivable included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Net cash used in investing activities of \$53.7 million in 2021 was primarily the result of capital expenditures of \$69.4 million and changes in restricted investments of \$18.7 million, offset by proceeds from sale of real estate assets of \$21.2 million, proceeds from the sale of property and equipment of \$4.1 million and payments received on note receivable of \$8.0 million. Net cash used in investing activities of \$104.2 million in 2020 was primarily the result of capital expenditures of \$108.8 million and changes in restricted investments of \$7.4 million, offset by insurance proceeds from damaged property primarily related to hurricanes of \$9.5 million and proceeds from sale of real estate of \$2.4 million.

Net cash provided by financing activities in 2021 reflects payments of \$360.3 million on long term debt offset by \$435.0 million of proceeds from long term debt and payments on non-recourse debt of \$21.6 million. We also paid cash dividends of \$30.5 million and paid \$9.6 million of debt issuance costs in connection with the issuance of our 6.50% Exchangeable Senior Notes. Refer to Note 12 - Debt included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Net cash used in financing activities in 2020 reflects payments of \$816.2 million on long term debt offset by \$960.6 million of proceeds from long term debt and payments on non-recourse debt of \$13.8 million. We also paid cash dividends of \$216.1 million and purchased \$9.0 million of shares of our common stock.

### ***Inflation***

We believe that inflation, in general, did have a negative impact but did not have a material effect on our results of operations during 2021 and 2020. While some of our contracts include provisions for inflationary indexing, inflation could have a substantial adverse effect on our results of operations in the future to the extent that wages and salaries, which represent our largest recurring/fixed expense, increase at a faster rate than the per diem or fixed rates received by us for our management services.

### ***Funds from Operations***

Funds from Operations ("FFO") is a widely accepted supplemental non-GAAP measure utilized to evaluate the operating performance of real estate companies. It is defined in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT, which defines FFO as net income (loss) attributable to common shareholders (computed in accordance with United States Generally Accepted Accounting Principles), excluding real estate related depreciation and amortization, excluding gains and losses from the cumulative effects of accounting changes, extraordinary items and sales of properties, and including adjustments for unconsolidated partnerships and joint ventures.

We also present Normalized Funds From Operations, or Normalized FFO, and Adjusted Funds from Operations, or AFFO, as supplemental non-GAAP financial measures of real estate companies' operating performances.

Normalized FFO is defined as FFO adjusted for certain items which by their nature are not comparable from period to period or that tend to obscure the Company's actual operating performance, including for the periods presented net goodwill impairment charges, pre-tax, gain on extinguishment of debt, pre-tax, start-up expenses, pre-tax, one-time employee restructuring expenses, pre-tax, loss and settlement on asset divestiture, pre-tax, M&A related expenses, pre-tax, changes in tax structure to C corporation, close-out expenses, pre-tax, COVID-19 expenses, pre-tax and the tax effect of adjustments to funds from operations.

AFFO is defined as Normalized FFO adjusted by adding non-cash expenses such as non-real estate related depreciation and amortization, stock-based compensation expense, the amortization of debt issuance costs, discount and/or premium and other non-cash interest, and by subtracting recurring consolidated maintenance capital expenditures and other non-cash revenue and expenses, pre-tax.

Because of the unique design, structure and use of our secure facilities, processing centers and reentry centers we believe that assessing the performance of our secure facilities, processing centers and reentry centers without the impact of depreciation or amortization is useful and meaningful to investors. Although NAREIT has published its definition of FFO, companies often modify this definition as they seek to provide financial measures that meaningfully reflect their distinctive operations. We have modified FFO to derive Normalized FFO and AFFO that meaningfully reflect our operations.

Our assessment of our operations is focused on long-term sustainability. The adjustments we make to derive the non-GAAP measures of Normalized FFO and AFFO exclude items which may cause short-term fluctuations in net income attributable to GEO but have no impact on our cash flows, or we do not consider them to be fundamental attributes or the primary drivers of our business plan and they do not affect our overall long-term operating performance. We may make adjustments to FFO from time to time for certain other income and expenses that do not reflect a necessary component of our operational performance on the basis discussed above, even though such items may require cash settlement. Because FFO, Normalized FFO and AFFO exclude depreciation and amortization unique to real estate as well as non-operational items and certain other charges that are highly variable from year to year, they provide our investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates, operating costs and interest costs, providing a perspective not immediately apparent from net income attributable to GEO.

We believe the presentation of FFO, Normalized FFO and AFFO provide useful information to investors as they provide an indication of our ability to fund capital expenditures and expand our business. FFO, Normalized FFO and AFFO provide disclosure on the same basis as that used by our management and provide consistency in our financial reporting, facilitate internal and external comparisons of our historical operating performance and our business units and provide continuity to investors for comparability purposes.

Our reconciliation of net income attributable to GEO to FFO, Normalized FFO and AFFO for the years ended December 31, 2021 and 2020, respectively, is as follows (in thousands):

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Funds From Operations</b>		
Net income attributable to The GEO Group, Inc.	\$ 77,418	\$ 113,032
Real estate related depreciation and amortization	75,622	73,659
(Gain) loss real estate assets, net of tax	(10,056)	6,831
<b>NAREIT Defined FFO</b>	<b>\$ 142,984</b>	<b>\$ 193,522</b>
Goodwill impairment charge, pre-tax	—	21,146
Start-up expenses, pre-tax	1,723	4,401
M&A related expenses, pre-tax	8,118	—
One-time employee restructuring expenses, pre-tax	7,459	—
Loss & settlement on asset divestiture, pre-tax	6,333	—
Gain on extinguishment of debt	(4,693)	(5,319)
COVID-19 expenses, pre-tax	—	9,883
Close-out expenses, pre-tax	1,475	5,935
Change in tax structure to C Corp	70,813	—
Tax effect of adjustments to funds from operations *	(26)	(300)
<b>Normalized Funds from Operations</b>	<b>\$ 234,186</b>	<b>\$ 229,268</b>
Non-real estate related depreciation and amortization	59,555	61,021
Consolidated maintenance capital expenditures	(16,769)	(19,729)
Stock-based compensation expenses	19,199	23,896
Other non-cash revenue & expense, pre-tax	(4,408)	(735)
Amortization of debt issuance costs, discount and/or premium and other non-cash interest	7,498	6,892
<b>Adjusted Funds from Operations</b>	<b>\$ 299,261</b>	<b>\$ 300,613</b>

- \* Tax adjustments relate to (gain) loss on real estate assets, goodwill impairment charges, gain on debt extinguishment, start-up expenses, M&A related expenses, one-time employee restructuring expenses, loss & settlement on asset divestiture, COVID-19 expenses and close-out expenses.

## **Outlook**

The following discussion of our future performance contains statements that are not historical statements and, therefore, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those stated or implied in the forward-looking statement. Please refer to “Item 1A. Risk Factors” in this Annual Report on Form 10-K, the “Forward-Looking Statements — Safe Harbor,” as well as the other disclosures contained in this Annual Report on Form 10-K, for further discussion on forward-looking statements and the risks and other factors that could prevent us from achieving our goals and cause the assumptions underlying the forward-looking statements and the actual results to differ materially from those expressed in or implied by those forward-looking statements.

## **Coronavirus Disease (COVID-19) Pandemic**

In December 2019, a novel strain of coronavirus, now known as COVID-19 (“COVID-19”), was reported in Wuhan, China and has since extensively impacted the global health and economic environment. In January 2020, the World Health Organization (“WHO”) declared it a Public Health Emergency of International Concern. On February 28, 2020, the WHO raised its assessment of the COVID-19 threat from high to very high at a global level due to the continued increase in the number of cases and affected countries, and on March 11, 2020, the WHO characterized COVID-19 as a pandemic.

### ***Health and Safety***

From the beginning of the global COVID-19 pandemic, our corporate, regional, and field staff have taken steps to mitigate the risks of the novel coronavirus and have worked with our government agency partners to implement best practices consistent with the guidance issued by the Centers for Disease Control and Prevention. Ensuring the health and safety of all those entrusted to our care and of our employees has always been our number one priority.

GEO’s COVID-19 mitigation initiatives have included:

#### ***Guidance***

- We issued guidance to all our facilities, consistent with the guidance issued for correctional and detention facilities by the Centers for Disease Control and Prevention (“CDC”).

#### ***Testing***

- We increased testing capabilities at our secure services facilities and entered into contracts with multiple commercial labs to provide adequate testing supplies and services.
- We invested approximately \$2 million to acquire 45 Abbott Rapid COVID-19 ID NOW devices and testing kits capable of diagnosing not only COVID-19, but Influenza and Strep Throat.
- As of the end of November 2021, we had administered approximately 192,000 COVID-19 tests to those in our care at our U.S. Secure Services facilities.

#### ***Bi-Polar Ionization***

- We invested \$3.7 million to install Bi-Polar Ionization Air Purification Systems at select secure services facilities to reduce the spread of airborne bacteria and viruses.

#### ***Facemasks and Personal Hygiene Products***

- We have provided continuing access to facemasks to all inmates and detainees, with a minimum of three facemasks per week or more often upon request.

- We increased the frequency of distribution of personal hygiene products, including soap, shampoo and body wash, and tissue paper, and we are ensuring the daily availability of bars of soap or soap dispensers at each sink for hand washing in all of our facilities.

#### *Social Distancing*

- We have implemented social distancing pursuant to directives from our government agency partners and communicated these obligations and requirements via meetings, memos, and postings.
- We deployed floor markers throughout our facilities to inform and encourage social distancing and modified facility movements to accommodate social distancing.

#### *Engineering Controls*

- We temporarily suspended onsite social visitation.
- We established requirements for staff to complete a medical questionnaire and pass a daily temperature check.
- We modified intake procedures to screen new inmates/detainees and established isolation and quarantine procedures for COVID-19 positive and symptomatic cases, consistent with CDC guidelines.

#### *Administrative/Work Practice Controls*

- We posted reminders regarding coughing and sneezing etiquette, the importance of frequent handwashing, and the use of facemasks.
- We increased cleaning and disinfection of facilities, including high-touch areas (e.g., doorknobs/handles, light switches, handheld radios), housing unit dayrooms, dining areas, and other areas where individuals assemble.
- We advised our employees to remain home if they exhibit flu-like symptoms, and we have exercised flexible paid leave and Paid Time Off policies to allow for employees to remain home if they exhibit flu-like symptoms or to care for a family member.
- We enacted quarantine and testing policies for any employees who may have come into contact with an individual who has tested positive for COVID-19.

#### *Vaccination*

- We are working closely with our government partners and State and Local Health Departments to coordinate vaccination efforts for staff, inmates, detainees, and residents at our secure facilities and reentry centers and programs across the country; these measures align with recommendations from the CDC's Advisory Committee on Immunization Practices (ACIP), as well as criteria established through the FDA's approval process.
- The timing of vaccine distribution to staff, inmates, detainees, and residents is presently being directed by the Local and State Health Departments in the jurisdictions in which we operate through the guidance and prioritization recommendations offered by the CDC and ACIP.
- As of the end of November 2021, GEO has worked with our government agency partners and State and Local Health Departments to administer vaccinations to more than 42,000 individuals in our Secure Services facilities.

We will continue to coordinate closely with our government agency partners and local health agencies to ensure the health and safety of all those in our care and our employees. We are grateful for our frontline employees who are making sacrifices daily to provide care for all those in our facilities during this unprecedented global pandemic. Information on the steps we have taken to address and mitigate the risks of COVID-19 can be found at [www.geogroup.com/COVID19](http://www.geogroup.com/COVID19). The information on or accessible through our website is not incorporated by reference in this Annual Report on Form 10-K.

#### ***Economic Impact***

The COVID-19 pandemic and related government-imposed mandatory closures, shelter in-place restrictions and social distancing protocols and increased expenditures on engineering controls, personal protective equipment, diagnostic testing, medical expenses, temperature scanners, protective plexiglass barriers and increased sanitation have had, and will continue to have, a severe impact on global economic conditions and the environment in which we operate. In early 2020, we began to observe negative impacts from the pandemic on our



performance in our secure services business as a result of declines in crossings and apprehensions along the Southwest border, a decrease in court sentencing at the federal level and reduced operational capacity to promote social distancing protocols. In addition to court mandates related to COVID-19 that limit capacity utilization at certain facilities, a driver of low utilization across ICE facilities have been the Title 42 COVID-19 related restrictions that have been in place at the Southwest border since March 2020. Additionally, our reentry services business conducted through our Reentry Services business segment has also been negatively impacted, specifically our residential reentry centers were impacted due to lower levels of referrals by federal, state and local agencies. Throughout the pandemic, new intake at residential reentry centers have significantly slowed down as governmental agencies across the country have opted for non-residential alternatives, including furloughs, home confinement and day reporting. We expect that the COVID-19 pandemic will continue to have an impact on our populations for at least part of 2022, depending on various factors. While we experienced a significant increase in COVID-19 cases at the end of the fourth quarter of 2021 and in the early part of 2022, consistent with the spread of the Omicron variant across the country, we are currently seeing a significant decline in cases among our staff and the individuals in our care. If we are unable to mitigate the transmission of COVID-19 at our facilities, we could experience a material adverse effect on our financial position, results of operations and cash flows. Although we are unable to predict the duration or scope of the COVID-19 pandemic or estimate the extent of the overall future negative financial impact to our operating results, an extended period of depressed economic activity necessitated to combating the disease, and the severity and duration of the related global economic crisis may adversely impact our future financial performance.

## **Revenue**

Due to the uncertainty surrounding the COVID-19 pandemic, we are unable to determine the future landscape of growth opportunities in the near term; however, any positive trends may, to some extent, be adversely impacted by government budgetary constraints in light of the pandemic or any changes to a government's willingness to maintain or grow public-private partnerships in the future. While state finances overall were stable prior to the COVID-19 pandemic, future budgetary pressures may cause state agencies to pursue a number of cost savings initiatives which may include reductions in per diem rates and/or the scope of services provided by private operators or the decision to not re-bid a contract after expiration of the contract term. These potential cost savings initiatives could have a material adverse impact on our current operations and/or our ability to pursue new business opportunities. Additionally, if state budgetary constraints, as discussed above, persist or intensify, our state customers' ability to pay us may be impaired and/or we may be forced to renegotiate our management contracts on less favorable terms and our financial condition, results of operations or cash flows could be materially adversely impacted. We plan to actively bid on any new projects that fit our target profile for profitability and operational risk. Any positive trends in the industry may be offset by several factors, including budgetary constraints, contract modifications, contract terminations, contract non-renewals, contract re-bids and/or the decision to not re-bid a contract after expiration of the contract term and the impact of any other potential changes to the willingness or ability to maintain or grow public-private partnerships on the part of other government agencies. We believe we have a strong relationship with our government agency partners and we believe that we operate facilities that maximize security, safety and efficiency while offering our suite of GEO Continuum of Care services and resources.

On January 26, 2021, President Biden signed an executive order directing the United States Attorney General not to renew DOJ contracts with privately operated criminal detention facilities, as consistent with applicable law. Two agencies of the DOJ, the BOP and the USMS, utilize GEO's support services. The BOP houses inmates who have been convicted of federal crimes, and the USMS is generally responsible for detainees who are awaiting trial or sentencing in U.S. federal courts. As of December 31, 2021, GEO has one company-owned facility under direct contract with the BOP, which has a current contract option period that expires on September 30, 2022, and three company-owned/company-leased facilities under direct contracts with USMS, which have current contract option periods that expire between March 31, 2022 and September 30, 2023. These facilities combined represented approximately 8% of our revenues for the year ended December 31, 2021.

President Biden's administration may implement additional executive orders or directives relating to federal criminal justice policies and/or immigration policies, which may impact the federal government's use of public-private partnerships with respect to secure correctional and detention facilities and immigration processing centers, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including the BOP, USMS, and ICE, which is an agency of the U.S. Department of Homeland Security.

Prior to the Executive Order, we have historically had a relatively high contract renewal rate, however, there can be no assurance that we will be able to renew our expiring management contracts on favorable terms, or at all. Also, while we are pleased with our track record in re-bid situations, we cannot assure that we will prevail in any such future situations.

California enacted legislation that became effective on January 1, 2020 aimed at phasing out public-private partnership contracts for the operation of secure correctional facilities and detention facilities within California and facilities outside of the State of California housing State of California inmates. Currently, we have public-private partnership contracts in place with ICE and the USMS relating to secure services facilities located in California. GEO and the DOJ have filed separate legal actions challenging the constitutionality of the attempted ban on new federal contracts entered into after the effective date of the California law. On October 5, 2021, the Ninth Circuit Court of Appeals reversed a prior U.S. District Court decision dismissing the requests by GEO and the United States for declaratory and injunctive relief and ruled that AB32 conflicts with federal law in violation of the Supremacy Clause of the U.S. Constitution and discriminates against the federal government in violation of the intergovernmental immunity doctrine.

Recently the State of Washington approved a similar measure banning the use of public-private partnership contracts for the operation of detention facilities in the state, that GEO is also challenging in federal court. GEO's contract for the company-owned 1,575-bed Northwest ICE Processing Center in Washington has a renewal option period that expires in 2025. The facility generates approximately \$64 million in annualized revenues for GEO.

In Delaware County, Pennsylvania, we received notice that the County intends to take over management of the managed-only George W. Hill Correctional Facility effective April 2022. The George W. Hill Correctional Facility generates approximately \$46 million in annualized revenue for GEO.

Internationally, we are exploring opportunities in our current markets and will continue to actively bid on any opportunities that fit our target profile for profitability and operational risk. We are pleased to have been awarded a ten-year contract renewal for the continued delivery of secure transportation under our GEOAmej joint venture in the United Kingdom. Total revenue over the ten-year period is expected to be approximately \$760 million. In New South Wales, Australia, we have developed a 489-bed expansion at the Junee Correctional Centre which was substantially completed during the third quarter of 2020. We have also constructed a 137-bed expansion at the Fulham Correctional Centre in Victoria, Australia. With respect to our Dungavel House Immigration Removal Centre in the United Kingdom, we were unfortunately unsuccessful in the current competitive rebid process and transitioned the management contract in October 2021. In addition, we transitioned the Arthur Gorrie Correctional Centre to government operation in the State of Queensland, Australia at the end of June 2020.

With respect to our reentry services, electronic monitoring services, and community-based services business, we are currently pursuing a number of business development opportunities. Related to opportunities for community-based reentry services, we are working with our existing federal, state, and local clients to leverage new opportunities for both residential reentry facilities as well as non-residential day reporting centers. However, in light of the uncertainty surrounding the COVID-19 pandemic, we may not be successful. We continue to expend resources on informing federal, state and local governments about the benefits of public-private partnerships, and we anticipate that there will be new opportunities in the future as those efforts continue to yield results. We believe we are well positioned to capitalize on any suitable opportunities that become available in this area.

### ***Operating Expenses***

Operating expenses consist of those expenses incurred in the operation and management of our contracts to provide services to our governmental clients. Labor and related costs represented approximately 65% of our operating expenses in both 2021 and 2020. Additional significant operating expenses include food, utilities and inmate medical costs. In 2021 and 2020, operating expenses totaled approximately 72% and 75% of our consolidated revenues, respectively. Our operating expenses as a percentage of revenue in 2022 will be impacted by the opening of any new or existing facilities as a result of the cost of transitioning and/or start-up operations related to a facility opening. During 2022, we will incur carrying costs for facilities that were vacant in 2021. As of December 31, 2021, our worldwide operations include the management and/or ownership of approximately 86,000 beds at 106 secure, processing and community services facilities, including idle facilities, and also included the provision of monitoring of more than 210,000 individuals in a community-based environment on behalf of federal, state and local correctional agencies located in all 50 states.

### ***General and Administrative Expenses***

General and administrative expenses consist primarily of corporate management salaries and benefits, professional fees and other administrative expenses. In 2021 and 2020, general and administrative expenses totaled approximately 9% and 8%, respectively, of our consolidated revenues. We expect general and administrative expenses as a percentage of revenue in 2022 to remain consistent or decrease as a result of cost savings initiatives as well as less travel, marketing and other corporate administrative expenses primarily due to the impacts of the COVID-19 pandemic

### ***Idle Facilities***

In our Secure Services segment, we are currently marketing 9,812 vacant beds with a net book value of approximately \$256 million at seven of our idle facilities to potential customers. In our Reentry Services segment, we are currently marketing 1,100 vacant beds with a net book value of approximately \$25.3 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2022 is estimated to be \$22.0 million, including depreciation expense of \$12.7 million. We currently do not have any firm commitments or agreements in place to activate these facilities but have ongoing contact with several potential customers. Historically, some facilities have been idle for multiple years before they received a new contract award. The per diem rates that we charge our clients often vary by contract across our portfolio. However, if the nine idle facilities in our Secure Services and Reentry Services segments were to be activated using our Secure Services and Reentry Services average per diem rate in 2021, (calculated as revenue divided by the number of mandays) and based on the average occupancy rate in our facilities for 2021, we would expect to receive annual incremental revenue of approximately \$290 million and an increase in annual earnings per share of approximately \$.30 to \$.35 per share based on our average operating margin. Refer to discussion in Item I, Part I – Business under ***Executive Order*** and ***Contract Developments*** above for discussion of recent developments.

## Forward-Looking Statements — Safe Harbor

This Annual Report on Form 10-K and the documents incorporated by reference herein contain “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. “Forward-looking” statements are any statements that are not based on historical information. Statements other than statements of historical facts included in this report, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are “forward-looking” statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate” or “continue” or the negative of such words or variations of such words and similar expressions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements and we can give no assurance that such forward-looking statements will prove to be correct. Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, or “cautionary statements,” include, but are not limited to:

- our ability to mitigate the transmission of the current pandemic of the novel coronavirus, or COVID-19, at our secure facilities, processing centers and reentry centers;
- the magnitude, severity and duration of the COVID-19 pandemic and its impact on our business, financial condition, results of operations and cash flows;
- our ability to timely build and/or open facilities as planned, successfully manage such facilities and successfully integrate such facilities into our operations without substantial additional costs;
- our ability to estimate the government’s level of utilization of public-private partnerships for secure services and the impact of any modifications or reductions by our government customers of their utilization of public-private partnerships;
- our ability to accurately project the size and growth of public-private partnerships for secure services in the U.S. and internationally and our ability to capitalize on opportunities for public-private partnerships;
- our ability to successfully respond to any challenges or concerns that our government customers may raise regarding their use of public-private partnerships for secure services, including finding other government customers or alternative uses for facilities where a government customer has discontinued or announced that a contract with us will be discontinued;
- the impact of adopted or proposed executive action or legislation aimed at limiting public-private partnerships for secure facilities, processing centers and community reentry centers or limiting or restricting the business and operations of financial institutions or others who do business with us;
- our ability to successfully respond to delays encountered by states pursuing public-private partnerships for secure services and cost savings initiatives implemented by a number of states;
- our ability to activate the inactive beds at our idle facilities;
- our ability to maintain or increase occupancy rates at our facilities and the impact of fluctuations in occupancy levels on our revenues and profitability;
- the impact of our termination of our REIT election and the discontinuation of quarterly dividend payments and our ability to maximize the use of cash flows to repay debt, deleverage and internally fund growth;
- our obligations to pay income taxes will increase beginning with our income taxes for the year ended December 31, 2021, which will result in a reduction to our earnings and could have negative consequences to us;
- we may fail to realize the anticipated benefits of terminating our REIT election or those benefits may take longer to realize than expected, if at all, or may not offset the costs of terminating our REIT election and becoming a taxable C Corporation;
- if we failed to remain qualified as a REIT for those years we elected REIT status, we would be subject to corporate income taxes and would not be able to deduct distributions to stockholders when computing our taxable income for those years;
- our ability to expand, diversify and grow our secure services, reentry, community-based services, monitoring services, evidence-based supervision and treatment programs and secure transportation services businesses;
- our ability to win management contracts for which we have submitted proposals, retain existing management contracts, prevail in any challenge or protest involving the award of a management contract and meet any performance standards required by such management contracts;

- our ability to raise new project development capital given the often short-term nature of the customers' commitment to use newly developed facilities;
- our ability to develop long-term earnings visibility;
- our ability to successfully conduct our operations in the United Kingdom, South Africa and Australia through joint ventures or a consortium;
- the impact of the anticipated LIBOR transition;
- the instability of foreign exchange rates, exposing us to currency risks in Australia, the United Kingdom, and South Africa, or other countries in which we may choose to conduct our business;
- an increase in unreimbursed labor rates;
- our exposure to rising medical costs;
- our ability to manage costs and expenses relating to ongoing litigation arising from our operations;
- our ability to successfully pursue an appeal to reverse the recent unfavorable verdict and judgments in the retrial of the lawsuits in the State of Washington, our company being required to record an accrual for the judgments in the future, and our ability to defend similar other pending litigation and the effect such litigation may have on our company;
- our ability to accurately estimate on an annual basis, loss reserves related to general liability, workers' compensation and automobile liability claims;
- our ability to fulfill our debt service obligations and its impact on our liquidity;
- our ability to deleverage and repay, refinance or otherwise address our debt maturities in an amount or on the timeline we expect, or at all;
- we are incurring significant indebtedness in connection with substantial ongoing capital expenditures. Capital expenditures for existing and future projects may materially strain our liquidity;
- despite current indebtedness levels, we may still incur more indebtedness, which could further exacerbate the risks relating to our indebtedness;
- the covenants in the indentures governing the 6.50% Convertible Notes, the 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes and the covenants in our senior credit facility impose significant operating and financial restrictions which may adversely affect our ability to operate our business;
- servicing our indebtedness will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control and we may not be able to generate the cash required to service our indebtedness;
- because portions of our senior indebtedness have floating interest rates, a general increase in interest rates would adversely affect cash flows;
- we depend on distributions from our subsidiaries to make payments on our indebtedness. These distributions may not be made;
- we may not be able to satisfy our repurchase obligations in the event of a change of control because the terms of our indebtedness or lack of funds may prevent us from doing so;
- our ability to identify and successfully complete any potential sales of additional Company-owned assets and businesses in commercially advantageous terms on a timely basis, or at all;
- from time to time, we may not have a management contract with a client to operate existing beds at a facility or new beds at a facility that we are expanding, and we cannot assure you that such a contract will be obtained. Failure to obtain a management contract for these beds will subject us to carrying costs with no corresponding management revenue;
- negative conditions in the capital markets could prevent us from obtaining financing on desirable terms, which could materially harm our business;

- we are subject to the loss of our facility management contracts, due to executive orders, terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers;
- our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers and community-based facilities and to secure contracts to provide electronic monitoring services, community-based reentry services and monitoring and supervision services, the demand for which is outside our control;
- we may not be able to meet state requirements for capital investment or locate land for the development of new facilities, which could adversely affect our results of operations and future growth;
- we partner with a limited number of governmental customers who account for a significant portion of our revenues. The loss of, or a significant decrease in revenues from, these customers could seriously harm our financial condition and results of operations;
- State budgetary constraints may have a material adverse impact on us;
- competition for contracts may adversely affect the profitability of our business;
- we are dependent on government appropriations, which may not be made on a timely basis or at all and may be adversely impacted by budgetary constraints at the federal, state, local and foreign government levels;
- public and political resistance to the use of public-private partnerships for secure facilities, processing centers and community reentry centers could result in our inability to obtain new contracts or the loss of existing contracts, impact our ability to obtain or refinance debt financing or enter into commercial arrangements, which could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities;
- adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts;
- we may incur significant start-up and operating costs on new contracts before receiving related revenues, which may impact our cash flows and not be recouped;
- failure to comply with extensive government regulation and applicable contractual requirements could have a material adverse effect on our business, financial condition or results of operations;
- we may face community opposition to facility locations, which may adversely affect our ability to obtain new contracts;
- our business operations expose us to various liabilities for which we may not have adequate insurance and may have a material adverse effect on our business, financial condition or results of operations;
- we may not be able to obtain or maintain the insurance levels required by our government contracts;
- our exposure to rising general insurance costs;
- natural disasters, pandemic outbreaks, global political events and other serious catastrophic events could disrupt operations and otherwise materially adversely affect our business and financial condition;
- our international operations expose us to risks that could materially adversely affect our financial condition and results of operations;
- we conduct certain of our operations through joint ventures or consortiums, which may lead to disagreements with our joint venture partners or business partners and adversely affect our interest in the joint ventures or consortiums;
- we are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel;
- our profitability may be materially adversely affected by inflation;
- various risks associated with the ownership of real estate may increase costs, expose us to uninsured losses and adversely affect our financial condition and results of operations;
- risks related to facility construction and development activities may increase our costs related to such activities;
- the rising cost and increasing difficulty of obtaining adequate levels of surety credit on favorable terms could adversely affect our operating results;

- adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations;
- technological changes could cause our electronic monitoring products and technology to become obsolete or require the redesign of our electronic monitoring products, which could have a material adverse effect on our business;
- any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products and services by governmental customers could have a material adverse effect on our business, financial condition and results of operations;
- we depend on a limited number of third parties to manufacture and supply quality infrastructure components for our electronic monitoring products. If our suppliers cannot provide the components or services we require and with such quality as we expect, our ability to market and sell our electronic monitoring products and services could be harmed;
- the interruption, delay or failure of the provision of our services or information systems could adversely affect our business;
- an inability to acquire, protect or maintain our intellectual property and patents in the electronic monitoring space could harm our ability to compete or grow;
- our electronic monitoring products could infringe on the intellectual property rights of others, which may lead to litigation that could itself be costly, could result in the payment of substantial damages or royalties, and/or prevent us from using technology that is essential to our products;
- we license intellectual property rights in the electronic monitoring space, including patents, from third party owners. If such owners do not properly maintain or enforce the intellectual property underlying such licenses, our competitive position and business prospects could be harmed. Our licensors may also seek to terminate our license;
- we may be subject to costly product liability claims from the use of our electronic monitoring products, which could damage our reputation, impair the marketability of our products and services and force us to pay costs and damages that may not be covered by adequate insurance;
- our ability to identify suitable acquisitions, and to successfully complete and integrate such acquisitions on satisfactory terms, to enhance occupancy levels and the financial performance of assets acquired and estimate the synergies to be achieved as a result of such acquisitions;
- as a result of our acquisitions, we have recorded and will continue to record a significant amount of goodwill and other intangible assets. In the future, our goodwill or other intangible assets may become impaired, which could result in material non-cash charges to our results of operations;
- we are subject to risks related to corporate social responsibility;
- the market price of our common stock may vary substantially;
- future sales of shares of our common stock or securities convertible into common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders;
- various anti-takeover protections applicable to us may make an acquisition of us more difficult and reduce the market value of our common stock;
- failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have an adverse effect on our business and the trading price of our common stock;
- we may issue additional debt securities that could limit our operating flexibility and negatively affect the value of our common stock; and
- other factors contained in our filings with the SEC, including, but not limited to, those detailed in this Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K filed with the SEC.

We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements included in this report.

**Item 7A. *Quantitative and Qualitative Disclosures About Market Risk***

**Interest Rate Risk**

We are exposed to market risks related to changes in interest rates with respect to our senior credit facility. Payments under the Senior Credit Facility are indexed to a variable interest rate. Based on borrowings outstanding as of December 31, 2021 under the Senior Credit Facility of \$1,546.9 million, for every one percent increase in the interest rate applicable to the Senior Credit Facility, our total annual interest expense would increase by approximately \$15.0 million.

We have entered into certain interest rate swap arrangements for hedging purposes, fixing the interest rate on certain of our variable rate debt. The difference between the floating rate and the swap rate on these instruments is recognized in interest expense within the respective entity. Because the interest rates with respect to these instruments are fixed, a hypothetical 100 basis point change in the current interest rate would not have a material impact on our financial condition or results of operations.

Additionally, we invest our cash in a variety of short-term financial instruments to provide a return. These instruments generally consist of highly liquid investments with original maturities at the date of purchase of three months or less. While these instruments are subject to interest rate risk, a hypothetical 100 basis point increase or decrease in market interest rates would not have a material impact on our financial condition or results of operations.

**Foreign Currency Exchange Rate Risk**

We are exposed to market risks related to fluctuations in foreign currency exchange rates between the U.S. Dollar, the Australian Dollar, the South African Rand and the British Pound currency exchange rates. Based upon our foreign currency exchange rate exposure as of December 31, 2021 with respect to our international operations, every 10 percent change in historical currency rates would have a \$9.5 million effect on our financial position and a \$3.5 million impact on our results of operations over the next fiscal year.

**Item 8. *Financial Statements and Supplementary Data***

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

To the Shareholders of  
The GEO Group, Inc.:

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States. They include amounts based on judgments and estimates.

Representations in the consolidated financial statements and the fairness and integrity of such statements are the responsibility of management. In order to meet management's responsibility, the Company maintains a system of internal controls and procedures and a program of internal audits designed to provide reasonable assurance that our assets are controlled and safeguarded, that transactions are executed in accordance with management's authorization and properly recorded, and that accounting records may be relied upon in the preparation of financial statements.

The consolidated financial statements have been audited by Grant Thornton LLP, independent registered public accountants, whose appointment by our Audit Committee was ratified by our shareholders. Their report, which is included in this Form 10-K, expresses an opinion as to whether management's consolidated financial statements present fairly in all material respects, the Company's financial position, results of operations and cash flows for each of the three years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America. The effectiveness of our internal control over financial reporting as of December 31, 2021 has also been audited by Grant Thornton LLP, independent registered public accountants, as stated in their report which is included in this Form 10-K. Their audits were conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States).

The Audit Committee of the Board of Directors meets periodically with representatives of management, the independent registered public accountants and our internal auditors to review matters relating to financial reporting, internal accounting controls and auditing. Both the internal auditors and the independent registered public accountants have unrestricted access to the Audit Committee to discuss the results of their examinations.

Jose Gordo  
*Chief Executive Officer*

Brian R. Evans  
*Senior Vice President and Chief Financial Officer*



## MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer that: (i) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements for external reporting in accordance with accounting principles generally accepted in the United States, and that receipts and expenditures are being made only in accordance with authorization of the Company's management and directors; and (iii) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. In making its assessment of internal control over financial reporting, management used the criteria set forth in the Internal Control - Integrated Framework issued by the 2013 Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (the "2013 Internal Control - Integrated Framework").

The Company evaluated, with the participation of its Chief Executive Officer and Chief Financial Officer, its internal control over financial reporting as of December 31, 2021, based on the 2013 Internal Control — Integrated Framework. Based on this evaluation, the Company's management concluded that as of December 31, 2021, its internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Grant Thornton LLP, the independent registered public accounting firm that audited the financial statements included in this Annual Report on Form 10-K, has issued an attestation report on our internal control over financial reporting as of December 31, 2021.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders  
The GEO Group, Inc.

### Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of The GEO Group, Inc. (a Florida corporation) and subsidiaries (the “Company”) as of December 31, 2021, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2021, and our report dated February 28, 2022 expressed an unqualified opinion on those financial statements.

### Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Miami, Florida  
February 28, 2022

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders  
The GEO Group, Inc.

### Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of The GEO Group, Inc. (a Florida corporation) and subsidiaries (the “Company”) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule included under Item 15(a) (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 28, 2022 expressed an unqualified opinion.

### Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical audit matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Self-Insurance Reserves and Related Expenses*

As described further in Note 1 in the consolidated financial statements, the Company self-insures, up to certain policy-specified limits, certain risks related to general and workers’ compensation liability costs. The estimated cost of claims under these self-insurance programs is estimated and accrued as the claims are incurred (although actual settlement of the claims may not be made until future periods) and may subsequently be revised based on developments relating to such claims. We identified self-insurance reserves (“self-insurance”) as a critical audit matter.

The principal considerations for our determination that self-insurance reserves and is a critical audit matter are that the accrual for self-insurance has higher risk of estimation uncertainty due to the loss development factors and inherent assumptions in actuarial methods used in determining the required reserves. The estimation uncertainty and complexity of the actuarial methods utilized involved especially subjective auditor judgment and an increased extent of effort, including the need to involve an auditor-engaged actuarial specialist.

Our audit procedures related to the self-insurance reserves included the following, among others:

- Obtained an understanding, evaluated the design and tested the operating effectiveness of key internal controls over financial reporting relating to self-insurance, including, but not limited to controls that (i) determine that claims were reported and submitted accurately and timely, and (ii) determine that internal claims data was reconciled to claims data maintained by the third-party administrator and submitted to the Company’s actuary.

- Utilized an auditor-engaged actuarial specialist in evaluating management’s methods and assumptions, including the reasonableness of the selected loss development factors utilized by management.
- Performed a retrospective review of prior projections to current projections to evaluate the reasonableness of changes in estimated ultimate losses.
- Reconciled claims data maintained by the third-party administrator to the claims data submitted to the Company’s actuary used in the development of the loss triangles and selecting loss development factors.
- Selected a sample of underlying claims and reviewed the information utilized by management such as accident reports, insurance claims and legal records to (i) test management’s estimation process to determine if the reserve was reasonable and (ii) test the accuracy of the significant claim data attributes.

*Evaluation of idle facilities for impairment*

As described further in Note 1 in the consolidated financial statements, the Company had property and equipment, net of \$2 billion as of December 31, 2021, including approximately \$282 million related to nine idle facilities. The Company tests idle facilities for impairment upon notification that the facilities will no longer be utilized by the customer. In addition, the Company performs the impairment analysis on an annual basis for each of the idle facilities. The estimates of recoverability are based on projected undiscounted cash flows associated with actual marketing efforts, where available, third-party appraisals, or, in other instances, projected undiscounted cash flows that are comparable to historical cash flows from management contracts at similar facilities and sensitivity analyses that consider reductions to such cash flows. When the estimated undiscounted cash flows associated with the asset or group of assets are less than their carrying value, an impairment is recognized as the difference between the carrying value of the asset and its fair value. We identified management’s evaluation of idle facilities for impairment as a critical audit matter.

The principal considerations for our determination that management’s evaluation of idle facilities for impairment is a critical audit matter is the higher risk of estimation uncertainty due to the subjective nature of management’s estimates used in the projected undiscounted cash flows. These estimates are particularly sensitive to the assumption as to whether the Company will obtain contracts to utilize idle facilities or be able to sell the facilities in the future, which can be affected by expectations about market developments and public policy as well as management’s intent to hold and operate each facility over the term and in the manner assumed in the analysis.

Our audit procedures related to management’s evaluation of idle facilities for impairment included the following, among others:

- Obtained an understanding, evaluated the design and tested the operating effectiveness of key internal controls over financial reporting relating to management’s evaluation of idle facilities for impairment, including controls over management’s review of the key inputs into the projected undiscounted cash flows, including management’s review of evidence supporting projected utilization of idle facilities and the recoverability of net book values based on estimated cash flows.
- We evaluated the reasonableness of management’s projected undiscounted cash flow by evaluating evidence to support the projected utilization of the facilities, including actual marketing efforts, comparing the projections to historical cash flows from management contracts at similar facilities, or third-party appraisals and performed sensitivity analyses to evaluate the impact of potential changes in the projected undiscounted cash flows.
- Performed a retrospective review of prior projections to current projections by idle facility to evaluate the reasonableness of changes in the projected undiscounted cash flows.
- Performed a retrospective review of the Company’s historical experience in securing new facility management contracts to utilize facilities that had been previously idled for periods comparable to or in excess of the periods the Company’s currently idle facilities have been idle, including assessing the recoverability of the net book value of the previously idled facilities.

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2006.

Miami, Florida  
February 28, 2022

**THE GEO GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
Years Ended December 31, 2021, 2020 and 2019

	2021	2020	2019
	(In thousands, except per share data)		
<b>Revenues</b>	\$ 2,256,612	\$ 2,350,098	\$ 2,477,922
<b>Operating Expenses (excluding depreciation and amortization)</b>	1,629,046	1,771,495	1,858,065
<b>Depreciation and Amortization</b>	135,177	134,680	130,825
<b>General and Administrative Expenses</b>	204,306	193,372	185,926
<b>Goodwill Impairment Charge</b>	—	21,146	—
<b>Operating Income</b>	288,083	229,405	303,106
<b>Interest Income</b>	24,007	23,072	28,934
<b>Interest Expense</b>	(129,460)	(126,837)	(151,024)
<b>Gain (Loss) on Extinguishment of Debt</b>	4,693	5,319	(4,795)
<b>Net gain (loss) on dispositions of assets</b>	5,499	(6,831)	(2,693)
<b>Income Before Income Taxes and Equity in Earnings of Affiliates</b>	192,822	124,128	173,528
<b>Provision for Income Taxes</b>	122,730	20,463	16,648
<b>Equity in Earnings of Affiliates, net of income tax provision of \$1,035, \$1,784 and \$1,769</b>	7,141	9,166	9,532
<b>Net Income</b>	77,233	112,831	166,412
<b>Loss Attributable to Noncontrolling Interests</b>	185	201	191
<b>Net Income Attributable to The GEO Group, Inc.</b>	\$ 77,418	\$ 113,032	\$ 166,603
<b>Weighted Average Common Shares Outstanding:</b>			
Basic	120,384	119,719	119,097
Diluted	120,732	119,991	119,311
<b>Income per Common Share Attributable to The GEO Group, Inc.:</b>			
<b>Basic:</b>			
Net income per share — basic	\$ 0.59	\$ 0.94	\$ 1.40
<b>Diluted:</b>			
Net income per share — diluted	\$ 0.58	\$ 0.94	\$ 1.40
Dividends declared per share	\$ 0.25	\$ 1.78	\$ 1.92

The accompanying notes are an integral part of these consolidated financial statements.

**THE GEO GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**Years Ended December 31, 2021, 2020 and 2019**

	2021	2020	2019
	(In thousands)		
Net Income	\$ 77,233	\$ 112,831	\$ 166,412
Other comprehensive income (loss):			
Change in marketable securities, net of income tax provision of \$2, \$0 and \$0	\$ 7	\$ —	\$ —
Foreign currency translation adjustments	(3,244)	3,070	2,267
Pension liability adjustment, net of income tax provision (benefit) of \$902, \$(554) and \$(681), respectively	3,392	(2,085)	(3,247)
Change in fair value of derivative instrument classified as cash flow hedge, net of income tax provision (benefit) of \$592, \$(871) and \$622, respectively	2,228	(3,276)	4,271
Total other comprehensive income (loss), net of tax	2,383	(2,291)	3,291
Total comprehensive income	79,616	110,540	169,703
Comprehensive loss attributable to noncontrolling interests	175	238	183
Comprehensive income attributable to The GEO Group, Inc.	\$ 79,791	\$ 110,778	\$ 169,886

**THE GEO GROUP, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2021 and 2020**

	2021	2020
	(In thousands, except share data)	
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 506,491	\$ 283,524
Restricted cash and investments	20,161	26,740
Accounts receivable, less allowance for doubtful accounts of \$1,155 and \$2,674, respectively	365,573	362,668
Contract receivable, current portion	6,507	6,283
Prepaid expenses and other current assets	45,176	32,108
Total current assets	943,908	711,323
<b>Restricted Cash and Investments</b>	76,158	37,338
<b>Property and Equipment, Net</b>	2,037,845	2,122,195
<b>Contract Receivable</b>	367,071	396,647
<b>Operating Lease Right-of-Use Assets, Net</b>	112,187	124,727
<b>Assets Held for Sale</b>	7,877	9,108
<b>Deferred Income Tax Assets</b>	—	36,604
<b>Goodwill</b>	755,225	755,250
<b>Intangible Assets, Net</b>	166,124	187,747
<b>Other Non-Current Assets</b>	71,013	79,187
Total Assets	\$ 4,537,408	\$ 4,460,126
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 64,073	\$ 85,861
Accrued payroll and related taxes	67,210	67,797
Accrued expenses and other current liabilities	200,712	202,378
Operating lease liabilities, current portion	28,279	29,080
Current portion of finance lease liabilities, long-term debt and non-recourse debt	18,568	26,180
Total current liabilities	378,842	411,296
<b>Deferred Income Tax Liabilities</b>	80,768	30,726
<b>Other Non-Current Liabilities</b>	87,073	115,555
<b>Operating Lease Liabilities</b>	89,917	101,375
<b>Finance Lease Obligations</b>	1,977	2,988
<b>Long-Term Debt</b>	2,625,959	2,561,881
<b>Non-Recourse Debt</b>	297,856	324,223
<b>Commitments and Contingencies (Note 17)</b>		
<b>Shareholders' Equity</b>		
Preferred stock, \$0.01 par value, 30,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$0.01 par value, 187,500,000 shares authorized, 127,323,762 and 126,153,173 issued and 122,471,390 and 121,318,175 outstanding, respectively	1,273	1,262
Additional paid-in capital	1,276,213	1,262,267
Distributions in excess of earnings	(175,960)	(222,892)
Accumulated other comprehensive loss	(20,216)	(22,589)
Treasury stock, 4,852,372 and 4,834,998 shares, at cost, respectively	(105,099)	(104,946)
Total shareholders' equity attributable to The GEO Group, Inc.	976,211	913,102
Noncontrolling interests	(1,195)	(1,020)
Total shareholders' equity	975,016	912,082
Total Liabilities and Shareholders' Equity	\$ 4,537,408	\$ 4,460,126

The accompanying notes are an integral part of these consolidated financial statements.

**THE GEO GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Year Ended December 31, 2021, 2020 and 2019**

	2021	2020	2019
	(In thousands)		
<b>Cash Flow from Operating Activities:</b>			
Net Income	\$ 77,233	\$ 112,831	\$ 166,412
Net loss attributable to noncontrolling interests	185	201	191
Net income attributable to The GEO Group, Inc.	77,418	113,032	166,603
Adjustments to reconcile net income attributable to The GEO Group, Inc. to net cash provided by operating activities:			
Depreciation and amortization expense	135,177	134,680	130,825
Deferred tax provision (benefit)	86,380	11,221	(588)
Amortization of debt issuance costs, discount and/or premium and other non-cash interest	7,498	6,892	8,609
Goodwill impairment charge	—	21,146	—
Stock-based compensation	19,199	23,896	22,344
(Gain) loss on extinguishment of debt	(4,693)	(5,319)	4,795
Provision for doubtful accounts	—	263	190
Equity in earnings of affiliates, net of tax	(7,141)	(9,166)	(9,532)
Loss on sale/disposal of property and equipment	8,447	1,720	3,966
Net (gain) loss on disposition of assets	(5,499)	6,831	2,693
Dividends received from unconsolidated joint ventures	8,263	5,934	10,312
Changes in assets and liabilities, net of acquisition:			
Changes in accounts receivable, prepaid expenses and other assets	9,466	68,181	(8,391)
Changes in contract receivable	6,231	5,156	(4,355)
Changes in accounts payable, accrued expenses and other liabilities	(58,111)	57,266	10,672
Net cash provided by operating activities	282,635	441,733	338,143
<b>Cash Flow from Investing Activities:</b>			
Proceeds from sale of property and equipment	4,130	140	414
Insurance proceeds - damaged property	1,027	9,497	19,310
Proceeds from sale of real estate	21,239	2,406	823
Payment received on note receivable	8,000	—	—
Change in restricted investments	(18,739)	(7,417)	(7,440)
Capital expenditures	(69,394)	(108,800)	(117,244)
Net cash used in investing activities	(53,737)	(104,174)	(104,137)
<b>Cash Flow from Financing Activities:</b>			
Payments on long-term debt	(360,296)	(816,191)	(513,219)
Proceeds from long term debt	435,000	960,579	521,370
Payments on non-recourse debt	(21,575)	(13,805)	(335,116)
Proceeds from non-recourse debt	—	—	321,102
Taxes paid related to net share settlements of equity awards	(2,090)	(2,789)	(4,179)
Debt issuance costs	(9,587)	—	(9,856)
Payments for purchase of treasury shares	—	(9,009)	—
Proceeds from stock options exercised	15	—	1,258
Proceeds from issuance of common stock in connection with ESPP	282	616	532
Dividends paid	(30,486)	(216,145)	(232,546)
Net cash provided by (used in) financing activities	11,263	(96,744)	(250,654)
<b>Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash and Cash Equivalents</b>	(3,692)	3,566	(352)
<b>Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash and Cash Equivalents</b>	236,469	244,381	(17,000)
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, beginning of period</b>	311,853	67,472	84,472
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, end of period</b>	\$ 548,322	\$ 311,853	\$ 67,472
<b>Supplemental Disclosures</b>			
<b>Cash paid during the year for:</b>			
Income taxes	\$ 49,483	\$ 5,358	\$ 11,160
Interest	\$ 122,162	\$ 135,579	\$ 133,566
<b>Non-cash investing and financing activities:</b>			
Right-of-use assets obtained from operating lease liabilities upon adoption of new lease standard - Refer to Note 13 - Leases	\$ —	\$ —	\$ 147,000
Assets obtained from finance lease liabilities	\$ 1,198	\$ 2,260	\$ —
Conversion of pension liability to shares of common stock	\$ —	\$ 8,925	\$ —
Conversion of shares of common stock to pension liability	\$ 3,600	\$ —	\$ —
Right-of-use assets obtained from operating lease liabilities (subsequent to initial adoption)	\$ 10,786	\$ 23,940	\$ —
Capital expenditures in accounts payable and accrued expenses	\$ 7,340	\$ 1,445	\$ 15,253

The accompanying notes are an integral part of these consolidated financial statements.



**THE GEO GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
**Years Ended December 31, 2021, 2020 and 2019**

	GEO Group Inc. Shareholders										
	Common Stock		Additional Paid-In Capital	(Distributions in Excess of Earnings)/Earnings in Excess of Distributions		Accumulated Other Comprehensive Income (Loss)		Treasury Stock		Noncontrolling Interest	Total Shareholders' Equity
	Number of Shares	Amount		Number of Shares	Amount	Number of Shares	Amount				
	(In thousands)										
<b>Balance, January 1, 2019</b>	120,585	\$ 1,248	\$ 1,210,916	\$ (52,868)	\$ (23,618)	4,210	\$ (95,175)	\$ (599)	\$ 1,039,904		
Proceeds from stock options exercised	78	—	1,258	—	—	—	—	—	1,258		
Stock based compensation expense	—	—	22,344	—	—	—	—	—	22,344		
Shares withheld for net settlements of share-based awards [1]	(198)	(2)	(4,177)	—	—	—	—	—	(4,179)		
Restricted stock granted	788	8	(8)	—	—	—	—	—	—		
Restricted stock canceled	(58)	—	—	—	—	—	—	—	—		
Dividends - paid	—	—	—	(232,546)	—	—	—	—	(232,546)		
Purchase of treasury shares	—	—	—	—	—	—	—	—	—		
Issuance of common stock (ESPP)	30	—	532	—	—	—	—	—	532		
Transition adjustment for accounting standard adoption [2]	—	—	—	(968)	968	—	—	—	—		
Net income (loss)	—	—	—	166,603	—	—	—	(191)	166,412		
Other comprehensive income	—	—	—	—	2,315	—	—	8	2,323		
<b>Balance, December 31, 2019</b>	<b>121,225</b>	<b>\$ 1,254</b>	<b>\$ 1,230,865</b>	<b>\$ (119,779)</b>	<b>\$ (20,335)</b>	<b>4,210</b>	<b>\$ (95,175)</b>	<b>\$ (782)</b>	<b>\$ 996,048</b>		
Proceeds from stock options exercised	0	—	—	—	—	—	—	—	—		
Stock based compensation expense	—	—	23,896	—	—	—	—	—	23,896		
Shares withheld for net settlements of share-based awards [1]	(174)	(1)	(2,788)	—	—	—	—	—	(2,789)		
Restricted stock granted	900	9	(9)	—	—	—	—	—	—		
Restricted stock canceled	(58)	—	—	—	—	—	—	—	—		
Dividends paid	—	—	—	(216,145)	—	—	—	—	(216,145)		
Issuance of common stock (ESPP)	50	—	616	—	—	—	—	—	616		
Purchase of treasury shares	(625)	—	—	—	—	625	(9,771)	—	(9,771)		
Other adjustments to Additional Paid-In-Capital [3]	—	—	9,687	—	—	—	—	—	9,687		
Net income (loss)	—	—	—	113,032	—	—	—	(201)	112,831		
Other comprehensive income (loss)	—	—	—	—	(2,254)	—	—	(37)	(2,291)		
<b>Balance, December 31, 2020</b>	<b>121,318</b>	<b>\$ 1,262</b>	<b>\$ 1,262,267</b>	<b>\$ (222,892)</b>	<b>\$ (22,589)</b>	<b>4,835</b>	<b>\$ (104,946)</b>	<b>\$ (1,020)</b>	<b>\$ 912,082</b>		
Proceeds from stock options exercised	2	—	15	—	—	—	—	—	15		
Stock based compensation expense	—	—	19,199	—	—	—	—	—	19,199		
Shares withheld for net settlements of share-based awards [1]	(268)	(3)	(2,087)	—	—	—	—	—	(2,090)		
Restricted stock granted	1,551	16	(16)	—	—	—	—	—	—		
Restricted stock canceled	(157)	(2)	—	—	—	—	—	—	(2)		
Dividends paid	—	—	—	(30,486)	—	—	—	—	(30,486)		
Purchase of treasury shares	(17)	—	—	—	—	17	(153)	—	(153)		
Issuance of common stock (ESPP)	43	—	282	—	—	—	—	—	282		
Other adjustments to Additional Paid-In-Capital [3]	—	—	(3,447)	—	—	—	—	—	(3,447)		
Net income (loss)	—	—	—	77,418	—	—	—	(185)	77,233		
Other comprehensive income (loss)	—	—	—	—	2,373	—	—	10	2,383		
<b>Balance, December 31, 2021</b>	<b>122,472</b>	<b>\$ 1,273</b>	<b>\$ 1,276,213</b>	<b>\$ (175,960)</b>	<b>\$ (20,216)</b>	<b>4,852</b>	<b>\$ (105,099)</b>	<b>\$ (1,195)</b>	<b>\$ 975,016</b>		

[1] During the years ended December 31, 2021, 2020 and 2019, the Company withheld shares through net share settlements to satisfy statutory tax withholding requirements upon vesting of shares of restricted stock held by employees.

[2] On January 1, 2019, the Company adopted Accounting Standard Update ("ASU") No. 2018-02 "Income Statement-Reporting Comprehensive Income-Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income". Refer to Note 1 - Summary of Business Organization, Operations and Significant Accounting Policies - **Recent Accounting Pronouncements** for further information.

[3] On February 26, 2020 (the "Effective Date"), the Company and its Chief Executive Officer ("CEO") entered into an amended and restated executive retirement agreement that amended the CEO's executive retirement agreement. The amended and restated executive retirement agreement provided that upon the CEO's retirement from the Company, the Company would pay a lump sum equal to \$8,925,065 which would have been paid in the form of a fixed number of shares of the Company's common stock. The fair value of the Grandfathered Payment was reclassified to stockholders' equity. Additional shares of the Company's common stock were credited with a value equal to any dividends declared and paid on the Company's shares of common stock. The Company and its former CEO entered into on May 27, 2021, and effective as of July 1, 2021, an Amended and Restated Executive Retirement Agreement which replaced the February 26, 2020 agreement discussed above. Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that the former CEO ceases to provide services to the Company, the Company will pay to the former CEO an amount equal to \$3,600,000 which shall be paid in cash. As the former CEO's retirement payment will no longer be settled with a fixed number of shares of GEO's common stock, that amount has been reclassified from equity to other non-current liabilities. The amount above reflects this reclassification net of a credit for dividends paid prior to the amendment. Refer to Note 14 - Benefit Plans for further information.

The accompanying notes are an integral part of these consolidated financial statements.

**THE GEO GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2021, 2020 and 2019**

**1. Summary of Business Organization, Operations and Significant Accounting Policies**

The GEO Group, Inc., a Florida corporation, and subsidiaries (the “Company” or “GEO”) specializes in the ownership, leasing and management of secure facilities, processing centers and reentry centers in the United States, Australia, South Africa and the United Kingdom. The Company owns, leases and operates a broad range of facilities including maximum, medium and minimum-security facilities, processing centers, as well as community-based reentry facilities and offers an expanded delivery of rehabilitation services under its 'GEO Continuum of Care' platform. The 'GEO Continuum of Care' platform integrates enhanced rehabilitative programs, which are evidence-based and include cognitive behavioral treatment and post-release services and provides academic and vocational classes in life skills and treatment programs while helping individuals reintegrate into their communities. The Company develops new facilities based on contract awards, using its project development expertise and experience to design, construct and finance what it believes are state-of-the-art facilities that maximize security and efficiency. The Company provides innovative compliance technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based parolees, probationers and pretrial defendants. The Company also provides secure transportation services for offender and detainee populations as contracted domestically and in the United Kingdom through its joint venture GEOAmey PECS Ltd. (“GEOAmey”). As of December 31, 2021, GEO's worldwide operations included the ownership and/or management of approximately 86,000 beds at 106 secure and community services facilities, including idle facilities and projects under development, and also includes the provision of reentry and electronic monitoring and supervision services for more than 250,000 offenders and pretrial defendants, including more than 150,000 individuals through an array of technology products including radio frequency, GPS, and alcohol monitoring devices.

GEO operated as a real estate investment trust (“REIT”) from January 1, 2013 through December 31, 2020. As a REIT, the Company provided services and conducted other business activities through taxable REIT subsidiaries (“TRSs”). A TRS is a subsidiary of a REIT that is subject to applicable corporate income tax rates and certain qualification requirements. The Company's use of TRSs permitted GEO to engage in certain business activities in which the REIT could not engage directly, so long as those activities were conducted in entities that elected to be treated as TRSs under the Internal Revenue Code of 1986, as amended, and enabled GEO to, among other things, provide correctional services at facilities it owns and at facilities owned by its government partners. A TRS is not subject to the distribution requirements applicable to REITs so it may retain income generated by its operations for reinvestment.

On December 2, 2021, the Company announced that its Board unanimously approved a plan to terminate the Company's REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. As a result, the Company is no longer required to operate under REIT rules, including the requirement to distribute at least 90% of REIT taxable income to its stockholders, which provides the Company with greater flexibility to use its free cash flow. Effective January 1, 2021, the Company is subject to federal and state income taxes on its taxable income at applicable tax rates and is no longer entitled to a tax deduction for dividends paid. The Company operated as a REIT for the 2020 tax year, and existing REIT requirements and limitations, including those established by the Company's organizational documents, remained in place until December 31, 2020. The Board also voted unanimously to discontinue the Company's quarterly dividend.

As a result of GEO's Board announcing the change in corporate structure to a taxable C Corporation in fiscal year 2021, the Company incurred a one-time, non-cash deferred tax charge of approximately \$70.8 million during the fourth quarter. GEO also incurred approximately \$29.3 million in incremental income tax expense in the fourth quarter of 2021 due to the resulting higher corporate tax rate for 2021, including a catch-up tax expense of approximately \$16.8 million in connection with the first three quarters of 2021.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies of the Company are described below.

***Risks and uncertainties***

**Executive Order**

On January 26, 2021, President Biden signed an executive order directing the United States Attorney General not to renew Department of Justice (“DOJ”) contracts with privately operated criminal detention facilities, as consistent with applicable law. Two agencies of the DOJ, the Federal Bureau of Prisons (“BOP”) and the U.S. Marshals Service (“USMS”), utilize GEO's support services. The BOP houses inmates who have been convicted of federal crimes, and the USMS is generally responsible for detainees who are awaiting trial or sentencing in U.S. federal courts. As of December 31, 2021, GEO has one company-owned facility under direct contract with the BOP, which has a current contract option period that expires on September 30, 2022, and three company-owned/company leased facilities under direct contracts with USMS, which have current contract option periods that expire between March 31, 2022 and September 30, 2023.

## **COVID-19**

In December 2019, a novel strain of coronavirus, now known as COVID-19 (“COVID-19”), was reported in Wuhan, China and has since extensively impacted the global health and economic environment. In January 2020, the World Health Organization (“WHO”) declared it a Public Health Emergency of International Concern. On February 28, 2020, the WHO raised its assessment of the COVID-19 threat from high to very high at a global level due to the continued increase in the number of cases and affected countries, and on March 11, 2020, the WHO characterized COVID-19 as a pandemic.

The Company has been closely monitoring the impact of the COVID-19 pandemic on all aspects of its business and geographies, including how it will impact those entrusted to its care and governmental partners. During the years ended December 31, 2020, 2021 and into 2022, the Company did incur disruptions from the COVID-19 pandemic but, it is unable to predict the overall future impact that the COVID-19 pandemic will have on its financial condition, results of operations and cash flows due to numerous uncertainties related to the pandemic. The COVID-19 pandemic and related government-imposed mandatory closures, the efficacy and distribution of COVID-19 vaccines and boosters, shelter in-place restrictions and social distancing protocols and increased expenditures on engineering controls, personal protective equipment, diagnostic testing, medical expenses, temperature scanners, protective plexiglass barriers and increased sanitation have had, and will continue to have, a severe impact on global economic conditions and the environment in which the Company operates. Additionally, the Company has experienced the transmission of COVID-19 among detainees and staff at most of its facilities during 2020, 2021 and continuing into 2022. If the Company is unable to mitigate the transmission of COVID-19 at its facilities it could experience a material adverse effect on its financial position, results of operations and cash flows. Although the Company is unable to predict the duration or scope of the COVID-19 pandemic or estimate the extent of the negative financial impact to its operating results, an extended period of depressed economic activity necessitated to combating the disease, and the severity and duration of the related global economic crisis may adversely impact its future financial performance.

### ***Consolidation***

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. The equity method of accounting is used for investments in non-controlled affiliates in which the Company’s ownership ranges from 20 to 50 percent, or in instances in which the Company is able to exercise significant influence but not control. The Company reports South Africa Custodial Services (“SACS”) and its 50% owned joint venture in the United Kingdom, GEOAmeY, under the equity method of accounting. Noncontrolling interests in consolidated entities represent equity that other investors have contributed to South Africa Custodial Management (“SACM”). Non-controlling interests are adjusted for income and losses allocable to the other shareholders in these entities. All significant intercompany balances and transactions have been eliminated.

### ***Reclassifications***

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements primarily related to a change in our reportable operating segments. Refer to Note 15 – Business Segments and Geographic Information. These reclassifications had no effect on the previously reported results of operations.

### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company’s significant estimates include reserves for self-insured retention related to general liability and workers’ compensation insurance, projected cash flows used to evaluate asset impairment, pension assumptions, useful lives of its property, equipment and intangible assets and stock-based compensation. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While the Company believes that such estimates are reasonable when considered in conjunction with the consolidated financial statements taken as a whole, the actual amounts of such estimates, when known, will vary from these estimates. If actual results significantly differ from the Company’s estimates, the Company’s financial condition and results of operations could be materially impacted.

### ***Dividends***

As discussed above, on December 2, 2021, GEO’s Board unanimously approved a plan to terminate the Company’s REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. In connection with terminating the Company’s REIT status, the Board also voted unanimously to discontinue the Company’s quarterly dividend.

### ***Cash and Cash Equivalents***

Cash and cash equivalents include all interest-bearing deposits or investments with original maturities of three months or less when purchased. The Company maintains cash and cash equivalents with various financial institutions. These financial institutions are located throughout the United States, Australia, South Africa and the United Kingdom. As of December 31, 2021 and 2020, the Company had \$33.0 million and \$24.3 million in cash and cash equivalents held by its international subsidiaries, respectively.

### ***Concentration of Credit Risk***

The Company maintains deposits of cash in excess of federally insured limits with certain financial institutions and accordingly the Company is subject to credit risk. Other than cash, financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade accounts receivable, contract receivable, long-term debt and financial instruments used in hedging activities. The Company's cash management and investment policies restrict investments to low-risk, highly liquid securities, and the Company performs periodic evaluations of the credit standing of the financial institutions with which it deals.

### ***Accounts Receivable***

Accounts receivable consists primarily of trade accounts receivable due from federal, state, local and international government agencies for operating and managing secure facilities, providing community-based services, providing electronic monitoring and supervision services, providing construction and design services and providing residential and transportation services. The Company generates receivables with its governmental clients and with other parties in the normal course of business as a result of billing and receiving payment. The Company regularly reviews outstanding receivables and provides for estimated losses through an allowance for doubtful accounts. In evaluating the level of established loss reserves, the Company makes judgments regarding its customers' ability to make required payments, economic events and other factors. As the financial condition of these parties change, circumstances develop or additional information becomes available, adjustments to the allowance for doubtful accounts may be required. The Company also performs ongoing credit evaluations for some of its customers' financial conditions and generally does not require collateral. Generally, the Company receives payment for these services thirty to sixty days in arrears. However, certain of the Company's accounts receivable are paid by customers after the completion of their program year and therefore can be aged in excess of one year. The Company maintains reserves for potential credit losses, and such losses traditionally have been within its expectations. Actual write-offs are charged against the allowance when collection efforts have been unsuccessful. As of December 31, 2021 and 2020, the Company's trade receivables that were considered to be long-term were not significant.

### ***Contract Receivable***

The Company's Australian subsidiary has recorded a contract receivable in connection with the construction of a 1,300-bed detention facility in Ravenhall, Australia for the State of Victoria. The contract receivable represents costs incurred and estimated earnings in excess of billings and is recorded at net present value based on the timing of expected future settlement. Refer to Note 6 - Contract Receivable for further information.

### ***Restricted Cash and Cash Equivalents***

The following table provides a reconciliation of cash, cash equivalents and restricted cash and cash equivalents reported on the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	<b>December 31, 2021</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Cash and Cash Equivalents	\$ 506,491	\$ 283,524	\$ 32,463
Restricted cash and cash equivalents - current	20,161	26,740	32,418
Restricted cash and investments - non-current	76,158	37,338	30,923
Less Restricted investments - non-current	(54,488)	(35,749)	(28,332)
Total cash, cash equivalents and restricted cash and cash equivalents shown in the statement of cash flows	<u>\$ 548,322</u>	<u>\$ 311,853</u>	<u>\$ 67,472</u>

Amounts included in restricted cash and cash equivalents are attributable to certain contractual cash restriction requirements at the Company's wholly owned Australian subsidiary related to non-recourse debt and asset replacement funds contractually required to be maintained and other guarantees. Restricted investments - non-current (included in Restricted Cash and Investments in the accompanying consolidated balance sheets) consists of the Company's rabbi trust established for employee and employer contributions to The GEO Group, Inc. Non-Qualified Deferred Compensation Plan, investments in equity and fixed income mutual funds held in the Company's captive insurance subsidiary, Florina and certain contractual cash requirements at the Company's wholly owned Australian subsidiary related to certain performance guarantees at its Ravenhall facility. The rabbi trust and the investments held in Florina are not considered to be restricted cash equivalents. Refer to Note 9 - Financial Instruments.

#### ***Prepaid expenses and Other Current Assets***

Prepaid expenses and other current assets include assets that are expected to be realized within the next fiscal year. Included in the balance at December 31, 2021 is approximately \$10.8 million of federal, state and international tax overpayments that will be applied against tax payments in 2022. There were no significant federal, state or international tax overpayments included in the balance at December 31, 2020.

#### ***Property and Equipment***

Property and equipment are stated at cost, less accumulated amortization and depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Buildings and improvements are depreciated over 2 to 50 years. Equipment and furniture and fixtures are depreciated over 3 to 10 years. Leasehold improvements are amortized on a straight-line basis over the shorter of the useful life of the improvement or the term of the lease. The Company performs ongoing evaluations of the estimated useful lives of the property and equipment for depreciation purposes. The estimated useful lives are determined and continually evaluated based on the period over which services are expected to be rendered by the asset. If the assessment indicates that assets will be used for a longer or shorter period than previously anticipated, the useful lives of the assets are revised, resulting in a change in estimate. The Company has not made any such changes in estimates during the years ended December 31, 2021, 2020 and 2019. Maintenance and repairs are expensed as incurred. Interest is capitalized in connection with the construction of company-owned secure facilities. Cost for self-constructed secure facilities includes direct materials and labor, capitalized interest and certain other indirect costs associated with construction of the facility, such as property taxes, other indirect labor and related benefits and payroll taxes. The Company begins the capitalization of costs during the pre-construction phase, which is the period during which costs are incurred to evaluate the site and continues until the facility is substantially complete and ready for occupancy. Labor costs capitalized for the years ended December 31, 2021, 2020 and 2019 were not significant. Capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's estimated useful life. Refer to Note 5 - Property and Equipment.

#### ***Assets Held for Sale***

As of December 31, 2021, the Company had three properties classified as held for sale included in its U.S Secure Services and Reentry segments in the accompanying consolidated balance sheet. The Company classifies a long-lived asset (disposal group) as held for sale in the period in which all of the following criteria are met (i) Management, having the authority to approve the action, commits to a plan to sell the asset (disposal group), (ii) the asset (disposal group) is available for immediate sale in its present condition subject only to the terms that are usual and customary for sales of such assets (disposal groups), (iii) an active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated, (iv) the sale of the asset (disposal group) is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale, within one year, except as permitted, (v) the asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value, and (vi) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company records assets held for sale at the lower of cost or estimated fair value and estimates fair value by using third party appraisers or other valuation techniques. The Company does not record depreciation for assets held for sale. Any gain or loss on the sale of operating assets is included in the operating income of the reportable segment to which it relates.

The properties that are classified as held for sale at December 31, 2021 are a parcel of undeveloped land in Hobart, Indiana and two idle reentry facilities. At December 31, 2021, the aggregate carrying values of these properties was approximately \$7.9 million. At December 31, 2020, the Company had four properties that were classified as held for sale which consisted of a parcel of undeveloped land in Hobart, Indiana two idle reentry facilities and one idle youth facility. At December 31, 2020, the aggregate carrying value of the properties was approximately \$9.1 million.

### Asset Impairments

The following table summarizes the Company's idled facilities as of December 31, 2021 and their respective carrying values, excluding equipment and other assets that can be easily transferred to other facilities.

<u>Facility</u>	<u>Segment</u>	<u>Design Capacity</u>	<u>Year Idled</u>	<u>Net Carrying Value December 31, 2021</u>
Great Plains Correctional Facility	Secure Services	1,940	2021	\$ 68,479
D. Ray James Correctional Facility	Secure Services	1,900	2021	52,724
Rivers Correctional Facility	Secure Services	1,450	2021	39,644
Big Spring Correctional Facility	Secure Services	1,732	2021	35,828
Flightline Correctional Facility	Secure Services	1,800	2021	37,090
McFarland Female Community Reentry Facility	Secure Services	300	2020	11,498
Perry County Correctional Facility [1]	Secure Services	690	2015	11,186
Cheyenne Mountain Recovery Center	Reentry Services	750	2020	17,145
Coleman Hall	Reentry Services	350	2017	8,139
<b>Total</b>		<b>10,912</b>		<b>\$ 281,733</b>

[1] The Company received a letter of intent for the purchase of this facility at an amount greater than its net carrying value. The sale closed during the first quarter of 2022.

Refer to *Risks and Uncertainties – Executive Order* above for a discussion of recent developments. There was no indication of impairment related to the Company's idle facilities during the year ended December 31, 2021.

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Events that would trigger an impairment assessment include deterioration of profits for a business segment that has long-lived assets, or when other changes occur that might impair recovery of long-lived assets such as the termination of a management contract or a prolonged decrease in population. If impairment indicators are present, the Company performs a recoverability test to determine whether or not an impairment loss should be measured.

The Company tests idle facilities for impairment upon notification that the facilities will no longer be utilized by the customer. If a long-lived asset is part of a group that includes other assets, the unit of accounting for the long-lived asset is its group. Generally, the Company groups assets by facility for the purpose of considering whether any impairment exists. The estimates of recoverability are based on projected undiscounted cash flows associated with actual marketing efforts where available or, in other instances, projected undiscounted cash flows that are comparable to historical cash flows from management contracts at similar facilities and sensitivity analyses that consider reductions to such cash flows. The Company's sensitivity analyses include adjustments to projected cash flows compared to the historical cash flows due to current business conditions which impact per diem rates as well as labor and other operating costs, changes related to facility mission due to changes in prospective clients, and changes in projected capacity and occupancy rates. The Company also factors in prolonged periods of vacancies as well as the time and costs required to ramp up facility population once a contract is obtained. The Company performs the impairment analysis on an annual basis for each of the idle facilities and takes into consideration updates each quarter for market developments affecting the potential utilization of each of the facilities in order to identify events that may cause the Company to reconsider the most recent assumptions. Such events could include negotiations with a prospective customer for the utilization of an idle facility at terms significantly less favorable than the terms used in the Company's most recent impairment analysis, or changes in legislation surrounding a particular facility that could impact the Company's ability to house certain types of individuals at such facility. Further, a substantial increase in the number of available beds at other facilities the Company owns, or in the marketplace, could lead to deterioration in market conditions and projected cash flows. Although they are not frequently received, an unsolicited offer to purchase any of the Company's idle facilities, at amounts that are less than their carrying value could also cause the Company to reconsider the assumptions used in the most recent impairment analysis. The Company has identified marketing prospects to utilize each of the remaining currently idled facilities and has determined that no current impairment exists. However, the Company can provide no assurance that it will be able to secure management contracts to utilize its idle facilities, or that it will not incur impairment charges in the future. In all cases, the projected undiscounted cash flows in the Company's analysis as of December 31, 2021, substantially exceeded the carrying amounts of each facility. During the year ended December 31, 2020, the Company recorded an impairment charge of approximately \$5.7 million related to one leased facility where the projected undiscounted cash flows of the facility did not exceed the carrying amount.

The Company's evaluations also take into consideration historical experience in securing new facility management contracts to utilize facilities that had been previously idled for periods comparable to or in excess of the periods the Company's currently idle facilities have been idle. Such previously idled facilities are currently being operated under contracts that generate cash flows resulting in the recoverability of the net book value of the previously idled facilities by substantial amounts. Due to a variety of factors, the lead time to negotiate contracts with

federal and state agencies to utilize idle bed capacity is generally lengthy which has historically resulted in periods of idleness similar to the ones the Company is currently experiencing.

By their nature, these estimates contain uncertainties with respect to the extent and timing of the respective cash flows due to potential delays or material changes to forecasted terms and conditions in contracts with prospective customers that could impact the estimate of projected cash flows. Notwithstanding the effects the current economy has had on the Company's customers for available beds in the short term which has led to the Company's decision to idle certain facilities, the Company believes the long-term trends favor an increase in the utilization of its idle facilities. This belief is also based on the Company's experience in working with governmental agencies faced with significant budgetary challenges which is a primary contributing factor to the lack of appropriated funding to build new bed capacity by federal and state agencies.

#### ***Assets Held under Finance Leases***

Assets held under finance leases are recorded at the lower of the net present value of the minimum lease payments or the fair value of the leased asset at the inception of the lease. Amortization expense is recognized using the straight-line method over the shorter of the estimated useful life of the asset or the term of the related lease and is included in depreciation expense.

#### ***Goodwill and Other Intangible Assets, Net***

##### ***Goodwill***

The Company has recorded goodwill as a result of its business combinations. Goodwill is recorded as the difference, if any, between the aggregate consideration paid for an acquisition and the fair value of the net tangible assets and other intangible assets acquired. The Company's goodwill is not amortized and is tested for impairment annually on the first day of the fourth quarter, and whenever events or circumstances arise that indicate impairment may have occurred. Impairment testing is performed for all reporting units that contain goodwill. The reporting units are the same as the reportable segments for U.S. Secure Services, Electronic Monitoring Services, Reentry Services and International Services.

On the annual measurement date of October 1, 2021, the Company's management elected to qualitatively assess the Company's goodwill for impairment for all of its reporting units. Under provisions of the qualitative analysis, when testing goodwill for impairment, the Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, the Company determines it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs a quantitative impairment test to identify goodwill impairment and measures the amount of goodwill impairment loss to be recognized, if any. The qualitative factors used by the Company's management to determine the likelihood that the fair value of the reporting unit is less than the carrying amount include, among other things, a review of overall economic conditions and their current and future impact on the Company's existing business, the Company's financial performance and stock price, industry outlook and market competition. With respect to the qualitative assessments, management determined that, as of October 1, 2021, it was more likely than not that the fair values of the reporting units exceeded their carrying values. During the year ended December 31, 2020, in connection with the Company's annual impairment test, the Company performed a quantitative analysis for its Reentry Services Segment using a third-party valuation firm to determine the estimated fair value of the reporting unit using a discounted cash flow model. A discount rate of 10% was utilized to adjust the cash flow forecasts based on the Company's estimate of a market participant's weighted-average cost of capital. Growth rates for sales and profits were determined using inputs from the Company's long-term planning process. The Company also made estimates for discount rates and other factors based on market conditions, historical experience and other economic factors. Changes in these factors could significantly impact the fair value of the reporting unit. With respect to the Reentry Services reporting unit that was assessed quantitatively, management determined that the carrying value exceeded its fair value due to future declines in cash flow projections primarily due to the negative impact of the COVID-19 pandemic on the Company's reentry facilities. As such, the Company recorded a goodwill impairment charge of \$21.1 million during the year ended December 31, 2020. A change in one or combination of the assumptions discussed above could have impacted the estimated fair value of the reporting unit. If the Company's expectations of future results and cash flows decrease significantly or other economic conditions deteriorate, goodwill may be further impaired.

##### ***Other Intangible Assets, Net***

The Company has also recorded other finite and indefinite lived intangible assets as a result of previously completed business combinations. Other acquired finite and indefinite lived intangible assets are recognized separately if the benefit of the intangible asset is obtained through contractual or other legal rights, or if the intangible asset can be sold, transferred, licensed, rented or exchanged, regardless of the Company's intent to do so. The Company's intangible assets include facility management contracts, trade names and technology. The facility management contracts represent customer relationships in the form of management contracts acquired at the time of each business combination; the value of BI's and Protocol Criminal Justice, Inc.'s ("Protocol") trade names represent, among other intangible benefits, name recognition to its customers and intellectual property rights; and the acquired technology represents BI's innovation with respect to its GPS tracking, monitoring, radio frequency monitoring, voice verification monitoring and alcohol compliance systems, Protocol's innovation with

respect to its customer relationship management software and Soberlink, Inc.'s innovation with respect to its alcohol monitoring devices. When establishing useful lives, the Company considers the period and the pattern in which the economic benefits of the intangible asset are consumed or otherwise used up; or, if that pattern cannot be reliably determined, using a straight-line amortization method over a period that may be shorter than the ultimate life of such intangible asset. The Company also considers the impact of renewal terms when establishing useful lives. The Company currently amortizes its acquired facility management contracts over periods ranging from three to twenty-one years and its acquired technology over seven years to eight years. There is no residual value associated with the Company's finite-lived intangible assets. The Company reviews its trade name assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. The Company does not amortize its indefinite lived intangible assets. The Company reviews its indefinite lived intangible assets annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. These reviews resulted in no significant impairment to the carrying value of the indefinite lived intangible assets for all periods presented. The Company records the costs associated with renewal and extension of facility management contracts as expenses in the period they are incurred.

#### ***Internal-Use Software***

Costs incurred to develop software for internal use are capitalized and amortized over the estimated useful lives of the software. Costs related to design or maintenance of internal-use software are expensed as incurred. As of December 31, 2021 and 2020, included in Property and Equipment, Net is approximately \$10.9 million and \$12.2 million of capitalized internal-use software costs, respectively.

#### ***Debt Issuance Costs***

Debt issuance costs, net of accumulated amortization of \$18.6 million and \$17.7 million, totaling \$26.7 million and \$25.2 million at December 31, 2021 and 2020, respectively, are included in Long-Term Debt, Non-Recourse Debt and Other Non-Current Assets in the accompanying Consolidated Balance Sheets and are amortized to interest expense using the effective interest method over the term of the related debt.

#### ***Lease Revenue***

The Company leases eight of its owned facilities to unrelated parties. Six of which have a term of two years and expire in June 2023 with options to extend for one additional one-year term. The carrying value of these leased facilities as of December 31, 2021 is \$42.3 million, net of accumulated depreciation of \$17.8 million. One facility has a term that expires in February 2023. The carrying value of this leased facility as of December 31, 2021 was \$2.1 million, net of accumulated depreciation of \$0.5 million. The remaining facility has a term of twenty years with renewals and expires in October 2041. The carrying value of this leased facility as of December 31, 2021 was approximately \$1.8 million, net of accumulated depreciation of \$15.0 million. Rental income, included in Revenues, for these leases for the year ended December 31, 2021 was approximately \$1.8 million. The majority of these leases began during and towards the end of 2021, as such, rental income was not significant for the years ended December 31, 2020 and 2019. As of December 31, 2021, future minimum rentals to be received on these leases are as follows:

<b>Year</b>	<b>Annual Rental (in thousands)</b>
2022	\$ 5,324
2023	4,676
2024	4,080
2025	4,094
2026	4,162
Thereafter	21,311
<b>Total</b>	<b>\$ 43,647</b>

#### ***Variable Interest Entities***

The Company evaluates its joint ventures and other entities in which it has a variable interest (a "VIE"), generally in the form of investments, loans, guarantees, or equity in order to determine if it has a controlling financial interest and is required to consolidate the entity as a result. The reporting entity with a variable interest that provides the entity with a controlling financial interest in the VIE will have both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb the losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company does not consolidate its 50% owned South African joint venture interest in SACS, a VIE. SACS joint venture investors are GEO and Kensani Corrections, Pty. Ltd (an independent third party); each partner owns a 50% share. The Company has determined it is not the primary beneficiary of SACS since it does not have the power to direct the activities of SACS that most significantly impact its performance. As such, the Company's investment in this entity is accounted for under the equity method of accounting. SACS was established and



subsequently, in 2001, was awarded a 25-year contract to design, finance and build the Kutama Sinthumule Correctional Centre in Louis Trichardt, South Africa. To fund the construction of the prison, SACS obtained long-term financing from its equity partners and lenders, the repayment of which is fully guaranteed by the South African government, except in the event of default, in which case the government guarantee is reduced to 80%. The Company's maximum exposure for loss under this contract is limited to its investment in the joint venture of approximately \$10.3 million at December 31, 2021.

The Company does not consolidate its 50% owned joint venture in the United Kingdom. In February 2011, GEO UK, executed a Shareholders Agreement (the "Shareholders Agreement") with Amey Community Limited ("Amey") and Amey UK PLC ("Amey Guarantor") to form GEOAmey, a private company limited by shares incorporated in England and Wales. GEOAmey was formed by GEO UK and Amey (an independent third party) for the purpose of performing escort and related custody services in England, Wales and Scotland. In order to form this private company, GEOAmey issued share capital of £100 divided into 100 shares of £1 each and allocated the shares 50/50 to GEO UK and Amey. GEO UK and Amey each have three directors appointed to the Board of Directors and neither party has the power to direct the activities that most significantly impact the performance of GEOAmey. As such, the Company's investment in this entity is accounted for under the equity method of accounting.

### ***Fair Value Measurements***

The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price"). The Company carries certain of its assets and liabilities at fair value, measured on a recurring basis, in the accompanying Consolidated Balance Sheets. The Company also has certain assets and liabilities which are not carried at fair value in its accompanying Consolidated Balance Sheets and discloses the fair value measurements compared to the carrying values as of each balance sheet date. The Company's fair value measurements are disclosed in Note 9 - Financial Instruments and Note 10 - Fair Value of Assets and Liabilities. The Company establishes fair value of its assets and liabilities using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels which distinguish between assumptions based on market data (observable inputs) and the Company's assumptions (unobservable inputs). The level in the fair value hierarchy within which the respective fair value measurement falls is determined based on the lowest level input that is significant to the measurement in its entirety. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities. Level 2 inputs are other than quotable market prices included in Level 1 that are observable for the asset or liability either directly or indirectly through corroboration with observable market data. Level 3 inputs are unobservable inputs for the assets or liabilities that reflect management's own assumptions about the assumptions market participants would use in pricing the asset or liability. The Company recognizes transfers between Levels 1, 2 and 3 as of the actual date of the event or change in circumstances that cause the transfer.

### ***Revenue Recognition***

Revenue is recognized when control of the promised goods or services is transferred to GEO's customers, in an amount that reflects the consideration GEO expects to be entitled to in exchange for those goods or services. Sales, value-added and other taxes GEO collects concurrent with revenue producing activities and that are subsequently remitted to governmental authorities are excluded from revenues. The guidance distinguishes between goods and services. The definition of services under the guidance includes everything other than goods. As such, in the case of GEO, this guidance views the provision of housing as a service.

When a contract includes variable consideration, GEO determines an estimate of the variable consideration and evaluates whether the estimate needs to be constrained; therefore, GEO includes the variable consideration in the transaction price only to the extent that it is probable that a significant reversal of the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Variable consideration estimates are updated at each reporting date. A limited number of GEO's domestic contracts have provisions upon which a small portion of the revenue for the contract is based on the performance of certain targets. Domestically, revenue based on the performance of certain targets is less than 1% of the Company's consolidated domestic revenues and was not significant during the periods presented. One of GEO's international contracts, related to its Ravenhall facility (discussed further below), contains a provision where a significant portion of the revenue for the contract is based on the performance of certain targets. These performance targets are based on specific criteria to be met over specific periods of time. Such criteria include the Company's ability to achieve certain contractual benchmarks relative to the quality of service it provides, non-occurrence of certain disruptive events, effectiveness of its quality control programs and its responsiveness to customer requirements. The performance of these targets is measured quarterly and there was no significant constraint on the estimate of such variable consideration for this contract during the years ended December 31, 2021, 2020 and 2019.

GEO does not disclose the value of unsatisfied performance obligations for (i) contracts with an expected length of one year or less and (ii) contracts for which revenue is recognized at the amount to which GEO has the right to invoice for services performed, which is generally the case for all of GEO's contracts. Incidental items that are immaterial in the context of the contract are recognized as expense. GEO generally does not incur incremental costs related to obtaining a contract with its customers that would meet the requirement for capitalization. There were no assets recognized from costs to obtain a contract with a customer at December 31, 2021 or 2020.

The timing of revenue recognition may differ from the timing of invoicing to customers. GEO records a receivable when services are performed which are due from its customers based on the passage of time. GEO records a contract liability if consideration is received in advance of the performance of services. Generally, GEO's customers do not provide payment in advance of the performance of services. Therefore, any contract liability is not significant at December 31, 2021 or 2020. Revenue recognized during the years ended December 31, 2021 and 2020 that was included in the opening balance of unearned revenue was not significant. There have been no significant amounts of revenue recorded in the periods presented from performance obligations either wholly or partially satisfied in prior periods.

The right to consideration under GEO's contracts is only dependent on the passage of time and is therefore considered to be unconditional. Payment terms and conditions vary by contract type, although, with the exception of the contract receivable related to GEO's Ravenhall facility (further discussed below), terms generally include a requirement of payment within 30 days after performance obligations are satisfied and generally do not include a significant financing component. There have been no significant changes in receivables or unearned revenue balances during the periods other than regular invoicing and collection activity.

The following table disaggregates GEO's revenue by major source and also provides a reconciliation with revenue information disclosed for reportable segments in Note 15 - Business Segments and Geographic Information:

	Year Ended December 31, 2021 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased: Secure Services	\$ 1,127,688	\$ —	\$ —	\$ —	\$ 1,127,688
Owned and Leased: Community-based	—	—	150,888	—	150,888
Owned and Leased: Youth Services	—	—	33,920	—	33,920
Managed Only	361,248	—	3,977	213,849	579,074
Non-residential Services and Other	—	278,934	86,108	—	365,042
Total Revenues	<u>\$ 1,488,936</u>	<u>\$ 278,934</u>	<u>\$ 274,893</u>	<u>\$ 213,849</u>	<u>\$ 2,256,612</u>

	Year Ended December 31, 2020 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased - Secure Services	\$ 1,198,881	\$ —	\$ —	\$ —	\$ 1,198,881
Owned and Leased - Community-based	—	—	145,491	—	145,491
Owned and Leased - Youth Services	—	—	75,792	—	75,792
Managed Only	372,335	—	5,513	227,540	605,388
Non-residential Services and Other	—	241,944	82,602	—	324,546
Total Revenues	<u>\$ 1,571,216</u>	<u>\$ 241,944</u>	<u>\$ 309,398</u>	<u>\$ 227,540</u>	<u>\$ 2,350,098</u>

	Year Ended December 31, 2019 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased - Secure Services	\$ 1,228,299	\$ —	\$ —	\$ —	\$ 1,228,299
Owned and Leased - Community-based	—	—	176,001	—	176,001
Owned and Leased - Youth Services	—	—	87,189	—	87,189
Managed Only	373,380	—	5,523	261,994	640,897
Non-residential services and Other	—	256,954	88,582	—	345,536
Total Revenues	<u>\$ 1,601,679</u>	<u>\$ 256,954</u>	<u>\$ 357,295</u>	<u>\$ 261,994</u>	<u>\$ 2,477,922</u>

#### Owned and Leased - Secure Services

GEO recognizes revenue for secure housing services where GEO owns or leases the facility as services are performed. GEO provides for the safe and secure housing and care of incarcerated individuals under public-private partnerships with federal, state and local government agencies. This includes providing 24-hour care and supervision, including but not limited to, such services as medical, transportation, food service, laundry services and various programming activities. These tasks are considered to be activities to fulfill the safe and secure housing

performance obligation and are not considered to be individually separate promises in the contract. Each of these activities is highly interrelated and GEO performs a significant level of integration of these activities. GEO has identified these activities as a bundle of services and determined that each day of the promised service is distinct. The services provided are part of a series of distinct services that are substantially the same and are measured using the same measure of progress (time-based output method). GEO has determined that revenue for these services are recognized over time as its customers simultaneously receive and consume the benefits as the services are performed, which is on a continual daily basis, and GEO has a right to payment for performance completed to date. Time-based output methods of revenue recognition are considered to be a faithful depiction of GEO's efforts to fulfill its obligations under its contracts and therefore reflect the transfer of services to its customers. GEO's customers generally pay for these services based on a net rate per day per individual or on a fixed monthly rate.

#### **Owned and Leased - Community-based**

GEO recognizes revenue for community-based reentry services where GEO owns or leases the facility in a manner similar to its secure services discussed above. GEO provides individuals nearing the end of their judicially imposed sentence with the resources necessary to productively transition back into society. Through its residential reentry centers, GEO provides federal and state parolees and probationers with temporary housing, rehabilitation, substance abuse counseling and vocational and educational programs. These activities are considered to be a bundle of services which are a part of a series of distinct services recognized over time based on the same criteria as discussed above for secure services revenues. GEO's customers also generally pay for these services based on a net rate per day per individual or on a fixed monthly rate.

#### **Owned and Leased - Youth Services**

GEO recognized revenues for youth services where GEO owned or leased the facility in the same manner as discussed above for the housing, supervision, care and rehabilitation of troubled youth residents. The activities to house and care for troubled youth residents were also considered to be a bundle of services which are part of a series of distinct services recognized over time based on the same criteria discussed for the previous two revenue streams. GEO's customers generally paid for these services based on a net rate per day per individual. On July 1, 2021, the Company completed a divestiture of its youth division. Refer to Note 17 - Commitments, Contingencies and Other Matters.

#### **Managed Only**

GEO recognizes revenue for its managed only contracts in the same manner as its Owned and Leased Secure Services and Owned and Leased Community-based contracts as discussed above. The primary exception is that GEO does not own or lease the facility. The facility is owned by the customer. In certain circumstances, GEO's customers may request that GEO make certain capital improvements to the facility or make other payments related to the facility. These payments are amortized as a reduction of revenues over the life of the contract. GEO's customers generally pay for these services based on a net rate per day per individual or a fixed monthly rate.

#### **Non-residential Services and Other**

Non-residential Services and Other revenue consist of the Company's contracts with federal and various state and local governments to provide location, alcohol and drug detecting electronic monitoring and case management services to individuals on an as needed or as requested basis. This category also includes the Company's day reporting centers.

GEO recognizes revenues for electronic monitoring and case management services as the services are performed. Services provided consist of community-based supervision (home visits), in-person reporting, telephonic reporting and GPS and other electronic monitoring as well as overall contract management services. The rates for the various services are considered to be stated at their individual stand-alone selling prices. GEO has determined that the services to be provided are recognized over time based on the unit of occurrence of the various services as its customer simultaneously receives and consumes the benefits as the services are performed and GEO has a right to payment for performance completed to date. Generally, these services are paid based on a net rate per occurrence and a monthly fee for management services.

Certain of the Company's electronic monitoring contracts include providing monitoring equipment and related monitoring services activities (using internal proprietary software platforms) to its customers. These tasks are considered to be activities to fulfill the promise to provide electronic monitoring services to individuals and are not considered to be individually separate promises in the contract. In the context of the contract, the equipment and monitoring service is not considered to be capable of being distinct as the customer typically cannot benefit from the equipment or monitoring service on its own or with other readily available resources. Management has identified these activities as a bundle of services and determined that each day or unit of the promised service is distinct. These services are part of a series of distinct services that are substantially the same and are measured using the same measure of progress (time-based output method) and are therefore accounted for as a single performance obligation. GEO has determined that services are recognized over time as the customer simultaneously receives and consumes the benefits as the services are performed and GEO has a right to payment for performance completed to date.

Services provided for GEO's day reporting centers are similar to its Owned and Leased Community-based services discussed above with the exception of temporary housing.

### ***Income Taxes***

The consolidated financial statements reflect provisions for federal, state, local and foreign income taxes. The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, as well as operating loss and tax credit carryforwards. The Company measures deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences and carryforwards are expected to be recovered or settled. The effect on deferred tax assets and liabilities as a result of a change in tax rates is recognized as income in the period that includes the enactment date. Refer to Note 16 - Income Taxes. For years prior to 2021, the Company was taxed as a REIT and did not expect to pay federal income taxes at the REIT level (including its qualified REIT subsidiaries). However, our wholly owned taxable REIT subsidiaries were fully subject to federal, state and foreign income taxes, as applicable. While a REIT, the Company was required to distribute at least 90% of its REIT level taxable income to shareholders, and the resulting dividends paid deduction offset its REIT taxable income. Consequently, while a REIT, since the Company did not expect to pay taxes on its REIT taxable income, it was not able to recognize deferred tax assets and liabilities.

Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax basis of assets and liabilities given the provisions of enacted tax laws. Significant judgments are required to determine the consolidated provision for income taxes. Deferred income tax provisions and benefits are based on changes to the assets or liabilities from year to year. Realization of the Company's deferred tax assets is dependent upon many factors such as tax regulations applicable to the jurisdictions in which the Company operates, estimates of future taxable income and the character of such taxable income.

Additionally, the Company must use significant judgment in addressing uncertainties in the application of complex tax laws and regulations. If actual circumstances differ from the Company's assumptions, adjustments to the carrying value of deferred tax assets or liabilities may be required, which may result in an adverse impact on the results of its operations and its effective tax rate. Valuation allowances are recorded related to deferred tax assets based on the "more likely than not" criteria. The Company has not made any significant changes to the way it accounts for its deferred tax assets and liabilities in any year presented in the consolidated financial statements. Based on its estimate of future earnings and its favorable earnings history, the Company currently expects full realization of the deferred tax assets net of any recorded valuation allowances. Furthermore, tax positions taken by the Company may not be fully sustained upon examination by the taxing authorities. In determining the adequacy of our provision (benefit) for income taxes, potential settlement outcomes resulting from income tax examinations are regularly assessed. As such, the final outcome of tax examinations, including the total amount payable or the timing of any such payments upon resolution of these issues, cannot be estimated with certainty.

### ***Reserves for Insurance Losses***

The nature of the Company's business exposes it to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from the escape of an individual in the Company's care or from a disturbance or riot at a facility. In addition, the Company's management contracts generally require it to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. The Company maintains a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which the Company carries no insurance. There can be no assurance that the Company's insurance coverage will be adequate to cover all claims to which it may be exposed. It is the Company's general practice to bring merged or acquired companies into its corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. ("Florina"), to enhance its risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers' compensation, general liability, automobile liability, medical professional liability and directors and officers' liability as well as procuring insurance policies for its directors' and officers' excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

The Company currently maintains a general liability policy and excess liability policies with total limits of \$70.0 million per occurrence and \$90.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry Services and Electronic Monitoring and Supervision Services. The Company has a claims-made liability insurance program with a specific loss limit of

\$40.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. The Company is uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers' compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, the Company carries substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5.0 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers' compensation, \$2.5 million per occurrence for directors and officers' liability and \$1.0 million per occurrence for automobile liability. In addition, certain of the Company's facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent the Company from insuring some of its facilities to full replacement value.

With respect to operations in South Africa and Australia, the Company utilizes a combination of locally-procured insurance and global policies to meet contractual insurance requirements and protect the Company. In addition to these policies, the Company's Australian subsidiary carries tail insurance on a general liability policy related to a discontinued contract.

Of the insurance policies discussed above, the Company's most significant insurance reserves relate to workers' compensation, general liability and auto claims. These reserves, which include Florina's reserves and GEO's legacy reserves, are undiscounted and were \$74.2 million and \$78.9 million as of December 31, 2021 and 2020, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. The Company uses statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, the Company considers such factors as historical frequency and severity of claims at each of its facilities, claim development, payment patterns and changes in the nature of its business, among other factors. Such factors are analyzed for each of the Company's business segments. The Company estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. The Company also may experience variability between its estimates and the actual settlement due to limitations inherent in the estimation process, including its ability to estimate costs of processing and settling claims in a timely manner as well as its ability to accurately estimate the Company's exposure at the onset of a claim. Because the Company has high deductible insurance policies, the amount of its insurance expense is dependent on its ability to control its claims experience. If actual losses related to insurance claims significantly differ from the Company's estimates, its financial condition, results of operations and cash flows could be materially adversely impacted.

#### ***Comprehensive Income (Loss)***

Comprehensive income (loss) represents the change in shareholders' equity from transactions and other events and circumstances arising from non-shareholder sources. The Company's total comprehensive income is comprised of net income attributable to GEO, net income attributable to noncontrolling interests, foreign currency translation adjustments that arise from consolidating foreign operations that do not impact cash flows, net unrealized gains and/or losses on derivative instruments, and pension liability adjustments in the consolidated statements of shareholders' equity.

The components of accumulated other comprehensive loss attributable to GEO included in the consolidated statement of shareholders' equity are as follows (in thousands):

	Foreign currency translation adjustments, net of tax attributable to The GEO Group, Inc.	Unrealized loss on derivatives, net of tax	Change Marketable Securities, net of tax	Pension adjustments, net of tax	Total
Balance, January 1, 2021	\$ (9,207)	\$ (4,752)	\$ —	\$ (8,630)	\$ (22,589)
Current-period other comprehensive income (loss)	(3,254)	2,228	7	3,392	2,373
Balance, December 31, 2021	<u>\$ (12,461)</u>	<u>\$ (2,524)</u>	<u>\$ 7</u>	<u>\$ (5,238)</u>	<u>\$ (20,216)</u>

	Foreign currency translation adjustments, net of tax attributable to The GEO Group, Inc.	Unrealized loss on derivatives, net of tax	Pension adjustments, net of tax	Total
Balance, January 1, 2020	\$ (12,314)	\$ (1,476)	\$ (6,545)	\$ (20,335)
Current-period other comprehensive income (loss)	3,107	(3,276)	(2,085)	(2,254)
Balance, December 31, 2020	<u>\$ (9,207)</u>	<u>\$ (4,752)</u>	<u>\$ (8,630)</u>	<u>\$ (22,589)</u>

There were no reclassifications out of accumulated other comprehensive income (loss) during the years ended December 31, 2021 or 2020.

The foreign currency translation adjustment, net of tax, related to noncontrolling interests was not significant for the years ended December 31, 2021 or 2020.

### ***Foreign Currency Translation***

The Company's foreign operations use their local currencies as their functional currencies. Assets and liabilities of the operations are translated at the exchange rates in effect on the balance sheet date and shareholders' equity is translated at historical rates. Income statement items are translated at the average exchange rates for the year. Any adjustment resulting from translating the financial statements of the foreign subsidiary is reflected as other comprehensive income, net of related tax. Gains and losses on foreign currency transactions are included in the statement of operations.

### ***Derivatives***

The Company's primary objective in holding derivatives is to reduce the volatility of earnings and cash flows associated with changes in interest rates. The Company measures its derivative financial instruments at fair value and records derivatives as either assets or liabilities on the balance sheet. For derivatives that are designed as and qualify as effective cash flow hedges, the portion of gain or loss on the derivative instrument effective at offsetting changes in the hedged item is reported as a component of accumulated other comprehensive income and reclassified into earnings when the hedged transaction affects earnings. For derivative instruments that are designated as and qualify as effective fair value hedges, the gain or loss on the derivative instruments as well as the offsetting gain or loss on the hedged items attributable to the hedged risk is recognized in current earnings as interest income (expense) during the period of the change in fair values. For derivative instruments that do not meet the requirements for hedge accounting, changes in fair value are recorded in earnings.

The Company formally documents all relationships between hedging instruments and hedge items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes attributing all derivatives that are designated as cash flow hedges to floating rate liabilities and attributing all derivatives that are designated as fair value hedges to fixed rate liabilities. The Company also assesses whether each derivative is highly effective in offsetting changes in the cash flows of the hedged item. Fluctuations in the value of the derivative instruments are generally offset by changes in the hedged item; however, if it is determined that a derivative is not highly effective as a hedge or if a derivative ceases to be a highly effective hedge, the Company will discontinue hedge accounting prospectively for the affected derivative.

### ***Stock-Based Compensation Expense***

The Company recognizes the cost of stock-based compensation awards based upon the grant date fair value of those awards. The impact of forfeitures that may occur prior to vesting is also estimated and considered in the amount recognized. Stock-based compensation expense is recognized ratably over the requisite service period, which is typically the vesting period.

The fair value of stock-based option awards was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions for options awarded during years 2021, 2020 and 2019:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
Risk free interest rates	0.24%	1.79%	2.44%
Expected term	4-5 years	4-5 years	4-5 years
Expected volatility	43%	41%	41%
Expected dividend rate [1]	13.30%	13.11%	8.47%

[1] As previously discussed, the Board elected to terminate the Company's REIT election and discontinue its quarterly dividend. The assumptions above were used to determine the fair value of stock-based option awards granted prior to the Board's suspension and discontinuation of quarterly dividends.

The Company uses historical data to estimate award exercises and employee terminations within the valuation model. The expected term of the awards represents the period of time that awards granted are expected to be outstanding and is based on historical data and expected holding periods.

For restricted stock share-based awards that contain a performance condition, the achievement of the targets must be probable before any share-based compensation is recorded. If subsequent to the initial measurement there is a change in the estimate of the probability of meeting the performance condition, the effect of the change in the estimated quantity of awards expected to vest is recognized by cumulatively adjusting compensation expense. If ultimately the performance targets are not met, for any awards where vesting was previously deemed probable, previously recognized compensation expense will be reversed in the period in which vesting is no longer deemed probable.

For restricted stock share-based awards that contain a market condition, the probability of satisfying the market condition is considered in the estimate of grant-date fair value and previously recorded compensation expense is not reversed if the market condition is never met. The fair value of restricted stock awards granted in 2021, 2020 and 2019 with market-based performance conditions was determined based on a Monte Carlo simulation, which calculates a range of possible outcomes and the probabilities that they will occur, using the following average key assumptions:

	2021	2020	2019
Expected volatility	48.2%	30.3%	43.7%
Beta	0.79	1.12	1.00
Risk free interest rate	0.22%	0.85%	2.53%

### ***Earnings Per Share***

Basic earnings per share of common stock is computed by dividing the net income attributable to The GEO Group, Inc. available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income attributable to The GEO Group, Inc. available to common stockholders represents net income attributable to The GEO Group reduced by an allocation of earnings to participating securities. The 6.50% Exchangeable Notes due 2026, which contain non-forfeitable rights to dividends declared and paid on the shares of common stock, are participating securities and are included in the computation of earnings per share pursuant to the two-class method. Diluted EPS is calculated under the if-converted method and the two-class method for each class of shareholders using the weighted average number of shares attributable to each class. The calculation that results in the lowest diluted earnings per share amount for common stock is reported in the Company's financial statements.

### ***Recent Accounting Pronouncements***

**The Company implemented the following accounting standards during the year ended December 31, 2021:**

In November 2020, the SEC issued a final rule, *Management's Discussion and Analysis, Selected Financial Data, and Supplementary Financial Information*, that amended certain SEC disclosure requirements to primarily modernize, enhance and simplify financial statement disclosures required by Regulation S-K. The Company has adopted provisions in the rule in the fourth quarter of fiscal 2021, which primarily resulted in the removal of the selected financial data previously required by Item 301 and the removal of the quarterly financial data previously required by Item 302.

In August 2020, the FASB issued ASU 2020-06, "*Debt – Debt with Conversion and Other Options*". The guidance in this update simplifies the accounting for convertible debt and convertible preferred stock by removing the requirements to separately present certain conversion features in equity. In addition, the amendments in the ASU also simplify the guidance in ASC 815-40, "*Derivatives and Hedging: Contracts in an Entity's Own Equity*" by removing certain criteria that must be satisfied in order to classify a contract as equity, which is expected to decrease the number of freestanding instruments and embedded derivatives accounted for as assets or liabilities. Finally, the amendments revise the guidance on calculating earnings per share, requiring use of the if-converted method for all convertible instruments and rescinding an entity's ability to rebut the presumption of share settlement for instruments that may be settled in cash or shares. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company elected to early adopt this standard effective January 1, 2021. The adoption of this standard did not have a material impact on the Company's financial position, results of operations or cash flows.

In August 2018, the FASB issued ASU No. 2018-14, "*Compensation-Retirement Benefits-Defined Benefit Plans-General (Topic 715.20)*" as a part of its disclosure framework project. The amendments in this update remove, modify and add certain disclosures primarily related to amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the next fiscal year, explanations for reasons for significant gains and losses related to changes in the benefit obligation for the period, and projected and accumulated benefit obligations. The new standard was effective for us beginning January 1, 2021. The adoption of this standard did not have a material impact on our financial position, results of operations or cash flows.

**The following accounting standards will be adopted in future periods:**

In March 2020, the FASB issued ASU 2020-04, "*Reference Reform Rate (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*," to provide temporary optional expedients and exceptions to the contract modifications, hedge relationships and other transactions affected by reference rate reform if certain criteria are met. This ASU, which was effective upon issuance and may be applied through December 31, 2022, is applicable to all contracts and hedging relationships that reference the London Interbank Offered Rate or any other reference rate expected to be discontinued. We are currently evaluating the impact of reference rate reform and the potential application of this guidance.



Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants and the SEC did not, or are not expected to, have a material effect on the Company's results of operations or financial position.

## **2. Shareholders' Equity**

### ***Common Stock***

Each holder of the Company's common stock is entitled to one vote per share on all matters to be voted upon by the Company's shareholders. Upon any liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to share equally in all assets available for distribution after payment of all liabilities, subject to the liquidation preference of shares of preferred stock, if any, then outstanding.

### ***Distributions***

As previously discussed, on December 2, 2021, the Company announced that its Board unanimously approved a plan to terminate the Company's REIT status and become a taxable C Corporation, effective for the year ended December 31, 2021. As a result, the Company is no longer required to operate under REIT rules, including the requirement to distribute at least 90% of its taxable income to its stockholders. The Board also voted unanimously to discontinue the Company's quarterly dividend.

### ***Stock Buyback Program***

On February 14, 2018, the Company announced that its Board authorized a stock buyback program authorizing the Company to repurchase up to a maximum of \$200 million of its shares of common stock. The stock buyback program was funded primarily with cash on hand, free cash flow and borrowings under the Company's \$900 million revolving credit facility (the "Revolver"). The program expired on October 20, 2020. The stock buyback program was intended to be implemented through purchases made from time to time in the open market or in privately negotiated transactions, in accordance with applicable Securities and Exchange Commission ("SEC") requirements. The stock buyback program did not obligate the Company to purchase any specific amount of its common stock and could have been suspended or extended at any time at the discretion of the Company's Board. During the year ended December 31, 2020, the Company purchased 553,665 shares of its common stock at a cost of \$9.0 million primarily purchased with proceeds from the Company's Revolver. There were no purchases of the Company's common stock during the years ended December 31, 2021 or 2019.

### ***Automatic Shelf Registration on Form S-3***

On October 30, 2020, the Company filed an automatic shelf registration on Form S-3 with the SEC that enables the Company to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. The shelf registration statement is automatically effective and is valid for three years.

### ***Prospectus Supplement***

On June 28, 2021, in connection with the shelf registration, the Company filed with the SEC a prospectus supplement related to the offer and sale from time to time of the Company's common stock at an aggregate offering price of up to \$300 million through sales agents. Sales of shares of the Company's common stock under the prospectus supplement and equity distribution agreements entered into with the sales agents, if any, will be made in negotiated transactions or transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933. There were no shares of common stock sold under this prospectus supplement during the year ended December 31, 2021.

### ***Preferred Stock***

In April 1994, the Company's Board authorized 30 million shares of "blank check" preferred stock. The Board is authorized to determine the rights and privileges of any future issuance of preferred stock such as voting and dividend rights, liquidation privileges, redemption rights and conversion privileges. As of December 31, 2021 and 2020, there were no shares of preferred stock outstanding.

### ***Noncontrolling Interests***

The Company includes the results of operations and financial position of SACM or the "joint venture", its majority-owned subsidiary, in its consolidated financial statements. SACM was established in 2001 to operate correctional centers in South Africa. The joint venture currently provides security and other management services for the Kutama Sinthumule Correctional Centre in the Republic of South Africa under a 25-year management contract which commenced in February 2002. The Company's and the joint venture partner's shares in the profits of the joint venture are 88.75% and 11.25%, respectively. There were no changes in the Company's ownership percentage of the consolidated subsidiary during the years ended December 31, 2021, 2020 and 2019.

### 3. Equity Incentive Plans

The Board has adopted The GEO Group, Inc. Amended and Restated 2018 Stock Incentive Plan (the "2018 Amended and Restated Plan"), which was approved by the Company's shareholders on April 28, 2021. The 2018 Amended and Restated Plan supersedes the previous 2018 Stock Incentive Plan. As of the date the 2018 Amended and Restated Plan was approved by the Company's shareholders, it provided for a reserve of an additional 16,800,000 shares of common stock that may be issued pursuant to awards granted under the 2018 Amended and Restated Plan. The Company filed a Form S-8 registration statement related to the 2018 Amended and Restated Plan on June 15, 2021.

Under the terms of the 2018 Amended and Restated Plan, the vesting period and, in the case of stock options, the exercise price per share, are determined by the terms of each grant agreement. All stock options that have been granted under the Company plans are exercisable at the fair market value of the common stock at the date of the grant. Generally, the stock options vest and become exercisable ratably over a four-year period. All stock options awarded under the 2018 Amended and Restated Plan expire no later than ten years after the date of the grant. When options are exercised, the Company issues shares of common stock related to the exercised options.

The Company recognized compensation expense related to the Company plans for the years ended December 31, 2021, 2020 and 2019 as follows (in thousands):

	2021	2020	2019
Stock option plan expense	\$ 760	\$ 1,141	\$ 1,085
Restricted stock expense	\$ 18,439	\$ 22,755	\$ 21,260

#### Stock Options

A summary of the activity of the Company's stock options plans is presented below:

	Shares (In thousands)	Wtd. Avg. Exercise Price	Wtd. Avg. Remaining Contractual Term (years)	Aggregate Intrinsic Value (In thousands)
Options outstanding at January 1, 2021	1,951	\$ 22.07	6.62	\$ —
Granted	478	7.52		
Exercised	(2)	7.52		
Forfeited/Canceled	(580)	17.01		
Options outstanding at December 31, 2021	<u>1,847</u>	\$ 19.92	6.23	\$ 73
Options vested and expected to vest at December 31, 2021	<u>1,782</u>	\$ 20.24	6.14	\$ 65
Options exercisable at December 31, 2021	<u>1,105</u>	\$ 24.27	4.86	\$ 1

The aggregate intrinsic value in the table above represents the total pretax intrinsic value (i.e., the difference between the Company's closing stock price on the last trading day of 2021 and the exercise price, times the number of shares that are "in the money") that would have been received by the option holders had all option holders exercised their options on December 31, 2021. This amount changes based on the fair value of the Company's stock.

The following table summarizes information relative to stock option activity during the years ended December 31, 2021, 2020 and 2019 (in thousands):

	2021	2020	2019
Intrinsic value of options exercised	\$ -	\$ -	\$ 433
Fair value of shares vested	\$ 925	\$ 1,061	\$ 971

The following table summarizes information about the exercise prices and related information of stock options outstanding under the Company plans at December 31, 2021:

Exercise Prices (\$)	Options Outstanding			Options Exercisable		
	Number Outstanding (In thousands)	Wtd. Avg. Remaining Contractual Life	Wtd. Avg. Exercise Price	Number Exercisable	Wtd. Avg. Remaining Contractual Life	Wtd. Avg. Exercise Price
0-18.23	694	8.11	\$ 11.39	130	5.40	\$ 14.48
18.24-22.26	486	4.97	\$ 20.97	420	4.76	\$ 20.84
22.27-29.39	402	5.32	\$ 25.26	290	4.61	\$ 26.25
29.40-45.00	265	5.04	\$ 32.27	265	5.04	\$ 32.27
<b>Total</b>	<b>1,847</b>	<b>6.23</b>	<b>\$ 19.92</b>	<b>1,105</b>	<b>4.86</b>	<b>\$ 24.27</b>

The weighted average grant date fair value of options granted during the year ended December 31, 2021, 2020 and 2019 was \$0.79, \$1.59 and \$3.64 per share, respectively. There were 0.5 million, 0.5 million and 0.4 million options granted during the year ended December 31, 2021, 2020 and 2019, respectively.

The following table summarizes the status of non-vested stock options as of December 31, 2021 and changes during the year ended December 31, 2021:

	Number of Shares (In thousands)	Wtd. Avg. Grant Date Fair Value
Options non-vested at January 1, 2021	900	\$ 2.87
Granted	478	0.79
Vested	(266)	3.48
Forfeited	(580)	2.82
<b>Options non-vested at December 31, 2021</b>	<b>532</b>	<b>\$ 1.79</b>

As of December 31, 2021, the Company had \$0.8 million of unrecognized compensation costs related to non-vested stock option awards that are expected to be recognized over a weighted average period of 2.1 years.

### Restricted Stock

During the year ended December 31, 2021, the Company granted approximately 1,551,000 shares of restricted stock to certain employees and executive officers. Of these awards, 919,000 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics during 2021, 2022 and 2023. The fair value of restricted stock awards, which do not contain a market-based condition, is determined using the closing price of the Company's common stock on the date of the grant and compensation expense is recognized over the vesting period. Generally, the restricted stock awards vest in equal increments over either a three or four-year period.

The vesting of market and performance-based restricted stock grants awarded in 2021 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the shares of restricted stock ("TSR Target Award") can vest at the end of a three-year performance period if GEO meets certain total shareholder return ("TSR") performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2021 to December 31, 2023 and (ii) up to 50% of the shares of restricted stock ("ROCE Target Award") can vest at the end of a three-year period if GEO meets certain return on capital employed ("ROCE") performance targets over a three year period from January 1, 2021 to December 31, 2023. Certain of these performance-based restricted stock grants can vest over a one-year period if GEO meets certain performance targets, as mentioned above, over three, three-year periods from January 1, 2019 to December 31, 2021, January 1, 2020 to December 31, 2022 and January 1, 2021 to December 31, 2023. These market and performance awards can vest at between 0% and 200% of the target awards for both metrics. The number of shares shown for the market and performance-based awards is based on the target awards for both metrics.

During the year ended December 31, 2020, the Company granted approximately 900,000 shares of restricted stock to certain employees and executive officers. Of these awards, 360,000 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics over a three-year period from January 1, 2020 to December 31, 2022.

The vesting of the market and performance-based restricted stock grants awarded in 2020 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the TSR Target Award can vest at the end of a three-year performance period if GEO meets certain TSR performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2020 to December 31, 2022; and (ii) up to 50% of the ROCE Target Award can vest at the end of a three-year performance period if GEO meets certain ROCE performance targets over a three year period from January 1, 2020 to December 31, 2022. These market and performance-based awards can vest at between 0% and 200% of the target awards for both metrics. The number of shares shown for the market and performance-based awards is based on the target awards for both metrics.

During the year ended December 31, 2019, the Company granted 788,000 shares of restricted stock to its executive officers and to certain senior employees. Of these awards, 250,000 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics over a three-year period from January 1, 2019 to December 31, 2021.

The vesting of the market and performance-based restricted stock grants awarded in 2019 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the TSR Target Award can vest at the end of a three-year performance period if GEO meets certain TSR performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2019 to December 31, 2021; and (ii) up to 50% of the ROCE Target Award can vest at the end of a three-year period if GEO meets certain ROCE performance targets over a three year period from January 1, 2019 to December 31, 2021. These performance awards can vest at the end of the three-year performance period at between 0% and 200% of the target awards for both metrics. The number of shares shown for the performance-based awards is based on the target awards for both metrics.

The metric related to TSR is considered to be a market condition. For share-based awards that contain a market condition, the probability of satisfying the market condition must be considered in the estimate of grant-date fair value. Compensation expense is recognized over the vesting period and previously recorded compensation expense is not reversed if the market condition is never met. Refer to Note 1 - Summary of Business Organization, Operations and Significant Accounting Policies-*Stock-Based Compensation Expense*, for the assumptions and method used to value these awards.

The metric related to ROCE is considered to be a performance condition. For share-based awards that contain a performance condition, the achievement of the targets must be probable before any share-based compensation expense is recorded. The Company reviews the likelihood of which target in the range will be achieved and if deemed probable, compensation expense is recorded at that time. If subsequent to the initial measurement there is a change in the estimate of the probability of meeting the performance condition, the effect of the change in the estimated quantity of awards expected to vest is recognized by cumulatively adjusting compensation expense. If ultimately the performance targets are not met, for any awards where vesting was previously deemed probable, previously recognized compensation expense will be reversed in the period in which vesting is no longer deemed probable. During 2021, 2020 and 2019, the Company deemed the achievement of the target award to be probable and there were no changes in the estimated quantity of awards expected to vest. The fair value of these awards was determined based on the closing price of the Company's common stock on the date of grant.

The following table summarizes the status of restricted stock awards as of December 31, 2021 and changes during the year ended December 31, 2021:

	Shares (In thousands)	Wtd. Avg. Grant Date Fair value
Restricted stock outstanding at January 1, 2021	2,154	\$ 20.61
Granted	1,551	6.93
Vested	(929)	20.54
Forfeited/Canceled	(157)	10.64
Restricted stock outstanding at December 31, 2021	2,619	\$ 12.53

As of December 31, 2021, the Company had \$16.0 million of unrecognized compensation cost that is expected to be recognized over a weighted average period of 2.1 years.

#### ***Employee Stock Purchase Plan***

The Company previously adopted The GEO Group Inc. 2011 Employee Stock Purchase Plan (the "Plan"), which was approved by the Company's shareholders. The purpose of the Plan, which is qualified under Section 423 of the Internal Revenue Service Code of 1986, as amended, is to encourage stock ownership through payroll deductions by the employees of GEO and designated subsidiaries of GEO in order to increase their identification with the Company's goals and secure a proprietary interest in the Company's success. These deductions are used to purchase shares of the Company's Common Stock at a 5% discount from the then current market price. The Company has made available up to 750,000 shares of its common stock, which were registered with the Securities and Exchange Commission on May 4, 2012, as amended on July 18, 2014, for sale to eligible employees.

The Plan is considered to be non-compensatory. As such, there is no compensation expense required to be recognized. Share purchases under the Plan are made on the last day of each month. During the years ended December 31, 2021, 2020 and 2019, 42,627, 49,896 and 30,153 shares of common stock, respectively, were issued in connection with the Plan.

#### 4. Earnings Per Share

Basic earnings per share of common stock is computed by dividing the net income attributable to The GEO Group, Inc. available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income attributable to The GEO Group, Inc. available to common stockholders represents net income attributable to The GEO Group reduced by an allocation of earnings to participating securities. The 6.50% Exchangeable Notes due 2026, which contain non-forfeitable rights to dividends declared and paid on the shares of common stock, are participating securities and are included in the computation of earnings per share pursuant to the two-class method. Diluted EPS is calculated under the if-converted method and the two-class method for each class of shareholders using the weighted average number of shares attributable to each class. The calculation that results in the lowest diluted earnings per share amount for common stock is reported in the Company's financial statements. The if-converted method includes the dilutive effect of potential common shares related to the 6.50% Exchangeable Notes due 2026, if any. Basic and diluted earnings per share were calculated for the years ended December 31, 2021, 2020 and 2019 as follows (in thousands, except per share data):

Fiscal Year	2021	2020	2019
	(In thousands, except per share data)		
Net Income	\$ 77,233	\$ 112,831	\$ 166,412
Loss attributable to noncontrolling interests	185	201	191
Less: Undistributed income allocable to participating securities	(6,982)	—	—
Net income attributable to The GEO Group, Inc. available to common stockholders	\$ 70,436	\$ 113,032	\$ 166,603
Basic earnings per share attributable to The GEO Group, Inc. available to common stockholders:			
Weighted average shares outstanding	120,384	119,719	119,097
Per share amount - basic	<u>\$ 0.59</u>	<u>\$ 0.94</u>	<u>\$ 1.40</u>
Diluted earnings per share attributable to The GEO Group, Inc. available to common stockholders:			
Weighted average shares outstanding	120,384	119,719	119,097
Dilutive effect of equity incentive plans	348	272	214
Weighted average shares assuming dilution	120,732	119,991	119,311
Per share amount - diluted	<u>\$ 0.58</u>	<u>\$ 0.94</u>	<u>\$ 1.40</u>

For the year ended December 31, 2021, 2,047,072 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 1,016,208 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

For the year ended December 31, 2020, 1,931,407 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 1,652,986 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

For the year ended December 31, 2019, 1,495,210 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 1,514,177 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

On February 24, 2021, the Company's wholly owned subsidiary, GEO Corrections Holdings, Inc. ("GEOCH"), completed a private offering of \$230 million aggregate principal amount of 6.50% Exchangeable Senior Unsecured Notes due 2026. Refer to Note 12 – Debt for additional information. As of December 31, 2021, conditions had not been met to exchange the 6.50% Exchangeable Notes due 2026 into shares of the Company's common stock. Approximately 21.0 million shares of potential common stock associated with the conversion option embedded in the convertible notes were excluded from the computation for the year ended December 31, 2021 as the Company's average stock price during the period was lower than the exchange price.

## 5. Property and Equipment

Property and equipment consist of the following at fiscal year-end:

	Useful Life (Years)	2021 (In thousands)	2020 (In thousands)
Land	—	\$ 120,837	\$ 128,498
Buildings and improvements	2 to 50	2,277,575	2,264,910
Leasehold improvements	1 to 29	278,299	283,561
Equipment	3 to 10	220,965	225,509
Furniture, fixtures and computer software	1 to 7	68,474	66,375
Facility construction in progress	—	20,758	42,863
Total		\$ 2,986,908	\$ 3,011,716
Less accumulated depreciation and amortization		(949,063)	(889,521)
Property and equipment, net		\$ 2,037,845	\$ 2,122,195

The Company amortizes its leasehold improvements over the shorter of their estimated useful lives or the terms of the leases including renewal periods that are reasonably assured. The Company's construction in progress primarily consists of new construction and renovations to facilities that are owned by the Company. Interest capitalized in property and equipment for the years ended December 31, 2021 and 2020 was not significant.

Depreciation expense was \$109.6 million, \$112.4 million and \$107.9 million for the years ended December 31, 2021, 2020 and 2019, respectively.

At December 31, 2021 and 2020, the Company had \$20.5 million and \$19.4 million, respectively, of assets recorded under finance leases related to land, buildings and improvements. Finance leases are recorded net of accumulated amortization of \$17.1 million and \$15.4 million, at December 31, 2021 and 2020, respectively. Depreciation expense related to assets recorded under finance leases for each of the years ended December 31, 2021, 2020 and 2019 was \$1.7 million, \$1.2 million and \$1.0 million, respectively and are included in Depreciation and Amortization in the accompanying consolidated statements of operations.

## 6. Contract Receivable

On September 16, 2014, GEO's wholly-owned subsidiary, GEO Ravenhall Pty. Ltd., in its capacity as trustee of another wholly-owned subsidiary, GEO Ravenhall Trust ("Project Co"), signed the Ravenhall Prison Project Agreement ("Ravenhall Contract") with the State of Victoria (the "State") for the development and operation of a 1,300-bed facility in Ravenhall, a locality near Melbourne, Australia under a public-private partnership financing structure. The design and construction phase ("D&C Phase") of the agreement began in September 2014 and was completed in November 2017. Project Co was the primary developer during the D&C Phase and subcontracted with a bonded international design and build contractor to design and construct the facility. GEO's wholly owned subsidiary, the GEO Group Australasia Pty. Ltd. ("GEO Australia") is currently operating the facility under a 25-year management contract ("Operating Phase"). During the D&C Phase, GEO Australia provided construction management and consultant services to the State.

During the D&C Phase, the Company recognized revenue as earned on a percentage of completion basis measured by the percentage of costs incurred to date as compared to the estimated total costs for the design and construction of the facility. Costs incurred and estimated earnings in excess of billings are classified as Contract Receivable in the accompanying consolidated balance sheets. The total balance of the Contract Receivable at December 31, 2021 is approximately \$367.0 million which is recorded at net present value based on the timing of expected future settlement. Interest income is recorded as earned using an effective interest rate of 8.97%. As the primary contractor, Project Co was exposed to the various risks associated with the D&C Phase. Accordingly, the Company recorded construction revenue on a gross basis and included the related costs of construction activities in operating expenses. Reimbursable pass-through costs were excluded from revenues and expenses.

## 7. Derivative Financial Instruments

The Company's primary objective in holding derivatives is to reduce the volatility of earnings and cash flows associated with changes in interest rates. The Company measures its derivative financial instruments at fair value.

In August 2019, the Company entered into two interest rate swap agreements in the aggregate notional amount of \$44.3 million to fix the interest rate on certain of its variable rate debt to 4.22%. The Company has designated these interest rate swaps as hedges against changes in

the cash flows of two identical promissory notes (the "Notes") which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The Company has determined that the swaps have payment, expiration dates, and provisions that coincide with the terms of the Notes and are therefore considered to be effective cash flow hedges. Accordingly, the Company records the change in fair value of the interest rate swaps as accumulated other comprehensive income (loss), net of applicable taxes. Total unrealized gains recorded in total other comprehensive income (loss), net of tax, related to these cash flow hedges was \$2.2 million during the year ended December 31, 2021. The total fair value of the swap liabilities as of December 31, 2021 was \$3.2 million and is recorded as a component of Other Non-Current liabilities within the accompanying balance sheet. There was no material ineffectiveness for the period presented. The Company does not expect to enter into any transactions during the next twelve months which would result in reclassification into earnings or losses associated with these swaps currently reported in accumulated other comprehensive income (loss). Refer to Note 12 - Debt for additional information.

## 8. Goodwill and Other Intangible Assets, Net

The Company has recorded goodwill as a result of its various business combinations. Goodwill is recorded as the difference, if any, between the aggregate consideration paid for an acquisition and the fair value of the tangible assets and intangible assets acquired net of liabilities assumed, including noncontrolling interests. Changes in the Company's goodwill balances recognized during the years ended December 31, 2021 and 2020 were as follows (in thousands):

	1/1/2021	Foreign currency translation	12/31/2021
U.S. Secure Services	\$ 316,366	\$ —	\$ 316,366
Electronic Monitoring and Supervision Services	289,570	—	289,570
Reentry Services	148,873	—	148,873
International Services	441	(25)	416
Total Goodwill	<u>\$ 755,250</u>	<u>\$ (25)</u>	<u>\$ 755,225</u>

	1/1/2020	Impairment charges [1]	Foreign currency translation	12/31/2020
U.S. Secure Services	\$ 316,366	\$ —	\$ —	\$ 316,366
Electronic Monitoring and Supervision Services	289,570	—	—	289,570
Reentry Services	170,019	(21,146)	—	148,873
International Services	401	-	40	441
Total Goodwill	<u>\$ 776,356</u>	<u>\$ (21,146)</u>	<u>\$ 40</u>	<u>\$ 755,250</u>

[1] The Company recorded an impairment charge in its Reentry Services reporting unit for the year ended December 31, 2020.

Intangible assets consisted of the following as of December 31, 2021 and 2020 (in thousands):

	Weighted Average Useful Life (years)	December 31, 2021			December 31, 2020		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Facility management contracts	16.3	\$ 308,369	\$ (189,163)	\$ 119,206	\$ 308,398	\$ (168,848)	\$ 139,550
Technology	7.3	33,700	(31,982)	1,718	33,700	(30,703)	2,997
Trade names	Indefinite	45,200	—	45,200	45,200	—	45,200
Total acquired intangible assets		<u>\$ 387,269</u>	<u>\$ (221,145)</u>	<u>\$ 166,124</u>	<u>\$ 387,298</u>	<u>\$ (199,551)</u>	<u>\$ 187,747</u>

The accounting for recognized intangible assets is based on the useful lives to the reporting entity. Intangible assets with finite useful lives are amortized over their useful lives and intangible assets with indefinite useful lives are not amortized. The Company estimates the useful lives of its intangible assets taking into consideration (i) the expected use of the asset by the Company, (ii) the expected useful lives of other related assets or groups of assets, (iii) legal or contractual limitations, (iv) the Company's historical experience in renewing or extending similar

arrangements, (v) the effects of obsolescence, demand, competition and other economic factors and (vi) the level of maintenance expenditures required to obtain the expected cash flows from the asset.

Amortization expense was \$21.6 million, \$22.3 million and \$22.3 million for the years ended December 31, 2021, 2020 and 2019, respectively, and primarily related to the U.S. Secure Services and Reentry Services segments' amortization of intangible assets for acquired management contracts. The Company relies on its historical experience in determining the useful life of facility management contracts. The Company makes assumptions related to acquired facility management contracts based on the competitive environment for individual contracts, our historical success rates in retaining contracts, the supply of available beds in the market, changes in legislation, the projected profitability of the facilities and other market conditions. As of December 31, 2021, the weighted average period before the next contract renewal or extension for the facility management contracts was approximately 2.0 years. Although the facility management contracts acquired have renewal and extension terms in the near term, the Company has historically maintained these relationships beyond the contractual periods.

Estimated amortization expense related to the Company's finite-lived intangible assets for 2022 through 2026 and thereafter is as follows (in thousands):

<b>Fiscal Year</b>	<b>Total Amortization Expense</b>
2022	\$ 16,307
2023	13,484
2024	9,751
2025	9,263
2026	7,170
Thereafter	64,949
	<u>\$ 120,924</u>

## 9. Financial Instruments

The following table provides a summary of the Company's significant financial assets and liabilities carried at fair value and measured on a recurring basis (in thousands):

	<b>Fair Value Measurements at December 31, 2021</b>			
	<b>Carrying Value at December 31, 2021</b>	<b>Quoted Prices in Active Markets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
<b>Restricted investments:</b>				
Rabbi Trust	\$ 42,937	\$ —	\$ 42,937	\$ —
Marketable equity and fixed income securities	11,551	—	11,551	—
Fixed income securities	1,927	—	1,927	—
<b>Liabilities:</b>				
Interest rate swap derivatives	\$ 3,195	\$ —	\$ 3,195	\$ —

	<b>Fair Value Measurements at December 31, 2020</b>			
	<b>Carrying Value at December 31, 2020</b>	<b>Quoted Prices in Active Markets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
<b>Restricted investments:</b>				
Rabbi Trust	\$ 35,749	\$ —	\$ 35,749	\$ —
Fixed income securities	1,932	—	1,932	—
<b>Liabilities:</b>				
Interest rate swap derivatives	\$ 6,015	\$ —	\$ 6,015	\$ —

The Company's Level 2 financial instruments included in the tables above as of December 31, 2021 and 2020 consist of interest rate swap derivative liabilities held by GEO, investments in equity and fixed income mutual funds held in the Company's captive insurance subsidiary, Florina, the Company's rabbi trust established for GEO employee and employer contributions to The GEO Group, Inc. Non-qualified Deferred Compensation Plan and an investment in Canadian dollar denominated fixed income securities.



The interest rate swap derivative liabilities are valued using a discounted cash flow model based on projected borrowing rates. The Company's restricted investment in the rabbi trust is invested in Company-owned life insurance policies which are recorded at their cash surrender values. These investments in fixed income securities are valued based on the underlying investments held in the policies' separate account. The underlying assets are equity and fixed income pooled funds that are comprised of Level 1 and Level 2 securities. The equity and fixed income mutual fund securities are valued at fair value using the net asset value per share. The Canadian dollar denominated securities, not actively traded, are valued using quoted rates for these and similar securities.

#### 10. Fair Value of Assets and Liabilities

The Company's Consolidated Balance Sheets reflect certain financial instruments at carrying value. The following table presents the carrying values of those instruments and the corresponding estimated fair values (in thousands):

	Estimated Fair Value Measurements at December 31, 2021				
	Carrying Value as of December 31, 2021	Total Fair Value	Level 1	Level 2	Level 3
<b>Assets:</b>					
Cash and cash equivalents	\$ 506,491	\$ 506,491	\$ 506,491	\$ —	\$ —
Restricted cash and investments	41,831	41,831	41,831	—	—
<b>Liabilities:</b>					
Borrowings under Senior Credit Facility	\$ 1,546,895	\$ 1,448,280	\$ —	\$ 1,448,280	\$ —
5.125% Senior Notes due 2023	259,275	248,479	—	248,479	—
5.875% Senior Notes due 2024	225,293	199,522	—	199,522	—
6.00% Senior Notes due 2026	350,000	283,691	—	283,691	—
6.50% Exchangeable Senior Notes due 2026	230,000	248,211	—	248,211	—
Non-recourse debt	310,108	310,108	—	310,108	—

	Estimated Fair Value Measurements at December 31, 2020				
	Carrying Value as of December 31, 2020	Total Fair Value	Level 1	Level 2	Level 3
<b>Assets:</b>					
Cash and cash equivalents	\$ 283,524	\$ 283,524	\$ 283,524	\$ —	\$ —
Restricted cash and investments	28,329	28,329	28,329	—	—
<b>Liabilities:</b>					
Borrowings under Senior Credit Facility	\$ 1,474,437	\$ 1,342,066	\$ —	\$ 1,342,066	\$ —
5.875% Senior Notes due 2022	193,958	192,736	—	192,736	—
5.125% Senior Notes due 2023	281,783	256,096	—	256,096	—
5.875% Senior Notes due 2024	242,500	202,458	—	202,458	—
6.00% Senior Notes due 2026	350,000	279,493	—	279,493	—
Non-recourse debt	344,614	344,632	—	344,632	—

The fair values of the Company's cash and cash equivalents, and restricted cash approximates the carrying values of these assets at December 31, 2021 and 2020. Restricted cash and investments consist of money market funds, commercial paper and time deposits used for payments on the Company's non-recourse debt and asset replacement funds contractually required to be maintained at the Company's Australian subsidiary. The fair value of the money market funds is based on quoted market prices (level 1) and the fair value of commercial paper and time deposits is based on market prices for similar instruments (level 2). The fair values of the Company's 6.00% senior unsecured notes due 2026 (the "6.00% Senior Notes"), 6.50% exchangeable senior unsecured notes due 2026 (the 6.50% Exchangeable Senior Notes), the 5.125% Senior Notes due 2023 (the "5.125% Senior Notes"), and the 5.875% Senior Notes due 2024 (the "5.875% Senior Notes"), although not actively traded, are based on published financial data for these instruments. On February 24, 2021, the Company completed a private offering of \$230 million aggregate principal amount of 6.50% exchangeable senior unsecured notes due 2026. The Company used the net proceeds from this offering to fund the redemption of the then outstanding amount of the Company's 5.875% Senior Notes due 2022. Refer to Note 12 – Debt for further information. The fair value of the Company's non-recourse debt is based on estimate of trading value considering the Company's borrowing rate, the undrawn spread and similar instruments. The fair value of borrowings under the Senior Credit Facility is also based on an estimate of trading value considering the Company's borrowing rate, the undrawn spread and similar instruments.

#### 11. Accrued Expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	2021	2020
Accrued interest	\$ 17,080	\$ 17,614
Accrued bonus	24,403	16,986
Accrued insurance	76,171	78,893
Accrued property and other taxes	43,720	38,524
Construction retainage	223	1,062
Other	39,115	49,299
Total	<u>\$ 200,712</u>	<u>\$ 202,378</u>

## 12. Debt

Debt consisted of the following (in thousands):

	December 31, 2021	December 31, 2020
<b>Senior Credit Facility:</b>		
Term loan	\$ 762,000	\$ 770,000
Unamortized debt issuance costs on term loan	(2,733)	(4,043)
Unamortized discount on term loan	(1,152)	(1,705)
Revolver	784,895	704,437
<b>Total Senior Credit Facility</b>	<b>\$ 1,543,010</b>	<b>\$ 1,468,689</b>
<b>6.50% Exchangeable Senior Notes:</b>		
Notes Due in 2026	\$ 230,000	\$ —
Unamortized debt issuance costs	(8,246)	—
<b>Total 6.50% Exchangeable Senior Notes Due in 2026</b>	<b>\$ 221,754</b>	<b>\$ —</b>
<b>6.00% Senior Notes:</b>		
Notes Due in 2026	\$ 350,000	\$ 350,000
Unamortized debt issuance costs	(3,099)	(3,709)
<b>Total 6.00% Senior Notes Due in 2026</b>	<b>\$ 346,901</b>	<b>\$ 346,291</b>
<b>5.875% Senior Notes:</b>		
Notes Due in 2024	\$ 225,293	\$ 242,500
Unamortized debt issuance costs	(1,410)	(2,000)
<b>Total 5.875% Senior Notes Due in 2024</b>	<b>\$ 223,883</b>	<b>\$ 240,500</b>
<b>5.125% Senior Notes:</b>		
Notes Due in 2023	\$ 259,275	\$ 281,783
Unamortized debt issuance costs	(1,221)	(2,033)
<b>Total 5.125% Senior Notes Due in 2023</b>	<b>\$ 258,054</b>	<b>\$ 279,750</b>
<b>5.875% Senior Notes:</b>		
Notes Due in 2022	\$ —	\$ 193,958
Unamortized debt issuance costs	—	(710)
<b>Total 5.875% Senior Notes Due in 2022</b>	<b>\$ —</b>	<b>\$ 193,248</b>
<b>Non-Recourse Debt:</b>		
Non-Recourse Debt	\$ 310,108	\$ 344,614
Unamortized debt issuance costs on non-recourse debt	(4,556)	(5,237)
Discount on Non-Recourse Debt	—	(25)
<b>Total Non-Recourse Debt</b>	<b>\$ 305,552</b>	<b>\$ 339,352</b>
Finance Lease Obligations	3,843	5,029
Other debt	41,363	42,413
<b>Total debt</b>	<b>\$ 2,944,360</b>	<b>\$ 2,915,272</b>
Current portion of finance lease obligations, long-term debt and non-recourse debt	(18,568)	(26,180)
Finance Lease Obligations, long-term portion	(1,977)	(2,988)
Non-Recourse Debt, long-term portion	(297,856)	(324,223)
<b>Long-Term Debt</b>	<b>\$ 2,625,959</b>	<b>\$ 2,561,881</b>

### *Amended and Restated Credit Agreement*

On June 12, 2019, GEO entered into Amendment No. 2 to Third Amended and Restated Credit Agreement (the "Credit Agreement") by and among the refinancing lenders party thereto, the other lenders party thereto, GEO and GEO Corrections Holdings, Inc. and the administrative agent. Under the amendment, the maturity date of the revolver component of the Credit Agreement has been extended to May 17, 2024. The borrowing capacity under the amended revolver will remain at \$900 million, and its pricing will remain unchanged, currently bearing interest at LIBOR plus 2.25%. Loan costs of \$4.7 million were incurred and capitalized in connection with the transaction.

The Credit Agreement evidences a credit facility (the "Credit Facility") consisting of the \$792.0 million term loan discussed above (the "Term Loan") bearing interest at LIBOR plus 2.00% (with a LIBOR floor of 0.75%), and a \$900 million Revolver initially bearing interest at

LIBOR plus 2.25% (with no LIBOR floor) together with AUD275 million available solely for the issuance of financial letters of credit and performance letters of credit, in each case denominated in Australian Dollars under the Australian Dollar Letter of Credit Facility (the "Australian LC Facility"). As of December 31, 2021, there were no letters of credit issued under the Australian LC Facility. Amounts to be borrowed by GEO under the Credit Agreement are subject to the satisfaction of customary conditions to borrowing. The Term Loan component is scheduled to mature on March 23, 2024. The revolving credit commitment component is scheduled to mature on May 17, 2024. The Credit Agreement also has an accordion feature of \$450.0 million, subject to lender demand and prevailing market conditions and satisfying the relevant borrowing conditions.

The Credit Agreement contains certain customary representations and warranties, and certain customary covenants that restrict GEO's ability to, among other things (i) create, incur or assume any indebtedness, (ii) create, incur, assume or permit liens, (iii) make loans and investments, (iv) engage in mergers, acquisitions and asset sales, (v) make certain restricted payments, (vi) issue, sell or otherwise dispose of capital stock, (vii) engage in transactions with affiliates, (viii) allow the total leverage ratio to exceed 6.25 to 1.00, allow the senior secured leverage ratio to exceed 3.50 to 1.00, or allow the interest coverage ratio to be less than 3.00 to 1.00, (ix) cancel, forgive, make any voluntary or optional payment or prepayment on, or redeem or acquire for value any senior notes, except as permitted, (x) alter the business GEO conducts, and (xi) materially impair GEO's lenders' security interests in the collateral for its loans.

Events of default under the Credit Agreement include, but are not limited to, (i) GEO's failure to pay principal or interest when due, (ii) GEO's material breach of any representation or warranty, (iii) covenant defaults, (iv) liquidation, reorganization or other relief relating to bankruptcy or insolvency, (v) cross default under certain other material indebtedness, (vi) unsatisfied final judgments over a specified threshold, (vii) certain material environmental liability claims asserted against GEO, and (viii) a change in control.

All of the obligations under the Credit Agreement are unconditionally guaranteed by certain domestic subsidiaries of GEO and the Credit Agreement and the related guarantees are secured by a perfected first-priority pledge of substantially all of GEO's present and future tangible and intangible domestic assets and all present and future tangible and intangible domestic assets of each guarantor, including but not limited to a first-priority pledge of all of the outstanding capital stock owned by GEO and each guarantor in their domestic subsidiaries.

The Australian borrowers are wholly owned foreign subsidiaries of GEO. GEO has designated each of the Australian borrowers as restricted subsidiaries under the Credit Agreement. However, the Australian borrowers are not obligated to pay or perform any obligations under the Credit Agreement other than their own obligations as Australian borrowers under the Credit Agreement. The Australian borrowers do not pledge any of their assets to secure any obligations under the Credit Agreement.

On August 18, 2016, the Company executed a Letter of Offer by and among GEO and HSBC Bank Australia Limited (the "Letter of Offer") providing for a bank guarantee line and bank guarantee/standby sub-facility in an aggregate amount of AUD100 million, or \$72.6 million, based on exchange rates in effect as of December 31, 2021 (collectively, the "Bank Guarantee Facility"). The Bank Guarantee Facility allows GEO to provide letters of credit to assure performance of certain obligations of its wholly owned subsidiary relating to its secure facility project in Ravenhall, located near Melbourne, Australia. In accordance with the Ravenhall Contract, upon the completion of a certain period of operations, the Bank Guarantee Facility was reduced during the fourth quarter of 2019 to approximately AUD59 million, or \$42.8 million, based on exchange rates in effect as of December 31, 2021. The Bank Guarantee Facility is unsecured. The issuance of letters of credit under the Bank Guarantee Facility is subject to the satisfaction of the conditions precedent specified in the Letter of Offer. Letters of credit issued under the bank guarantee lines are due on demand and letters of credit issued under the bank guarantee/standby sub-facility cannot have a duration exceeding twelve months. The Bank Guarantee Facility may be terminated by HSBC Bank Australia Limited on 90 days written notice. As of December 31, 2021, there was approximately AUD59 million in letters of credit issued under the Bank Guarantee Facility.

As of December 31, 2021, the Company had \$762.0 million in aggregate borrowings outstanding under the Term Loan, \$784.9 million in borrowings under the Revolver, and approximately \$95.8 million in letters of credit which left \$19.3 million in additional borrowing capacity under the Revolver. In addition, the Company has the ability to increase the Senior Credit Facility by an additional \$450.0 million, subject to lender demand and prevailing market conditions and satisfying the relevant borrowing conditions thereunder. The weighted average interest rate on outstanding borrowings under the Credit Agreement as of December 31, 2021 was 2.80%.

### ***6.50% Exchangeable Senior Notes due 2026***

On February 24, 2021, the Company's wholly owned subsidiary, GEOCH, completed a private offering of \$230 million aggregate principal amount of 6.50% exchangeable senior unsecured notes due 2026 which included the full exercise of the initial purchasers' over-allotment option to purchase an additional \$30 million aggregate principal amount of Convertible Notes. The Convertible Notes will mature on February 23, 2026, unless earlier repurchased or exchanged. The Convertible Notes bear interest at the rate of 6.50% per year plus an additional amount based on the dividends paid by the Company on its common stock, \$0.01 par value per share. Interest on the notes is payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2021.

Subject to certain restrictions on share ownership and transfer, holders may exchange the notes at their option prior to the close of business on the business day immediately preceding November 25, 2025, but only under the following circumstances: (1) during the five consecutive business day period after any five consecutive trading day period, or the measurement period, in which the trading price per \$1,000 principal amount of notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of the Company's common stock and the exchange rate for the notes on each such trading day; or (2) upon the occurrence of certain specified corporate events. On or after November 25, 2025, until the close of business on the second scheduled trading day immediately preceding the maturity date of the notes, holders may exchange their notes at any time, regardless of the foregoing circumstances. Upon exchange of a note, GEO will pay or deliver, as the case may be, cash or a combination of cash and shares of the Company's common stock. As of December 31, 2021, conditions had not been met to exchange the notes.

Upon conversion, the Company will pay or deliver, as the case may be, cash or a combination of cash and shares of common stock. The initial conversion rate is 108.4011 shares of common stock per \$ 1,000 principal amount of Convertible Notes (equivalent to an initial conversion price of approximately \$9.225 per share of common stock). The conversion rate will be subject to adjustment in certain events. If the Company or GEOCH undergoes a fundamental change, holders may require GEOCH to purchase the notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.

The Company used the net proceeds from this offering, including the exercise in full of the initial purchasers' over-allotment option to fund the redemption of the then outstanding amount of approximately \$194.0 million of the Company's 5.875% senior notes due 2022, to re-purchase additional senior notes and used remaining net proceeds to pay related transaction fees and expenses, and for general corporate purposes of the Company. As a result of the redemption, deferred loan costs in the amount of approximately \$0.7 million were written off to loss on extinguishment of debt during the year ended December 31, 2021.

The notes were offered in the United States only to persons reasonably believed to be "qualified institutional buyers" pursuant to Rule 144A under the Securities Act, and outside of the United States to non-U.S. persons in compliance with Regulation S under the Securities Act. Neither the notes nor any of the shares of the Company's common stock issuable upon exchange of the notes, if any, have been, or will be, registered under the Securities Act and, unless so registered, may not be offered or sold in the United States, except pursuant to an applicable exemption from the registration requirements under the Securities Act.

The Company elected to early adopt ASU 2020-06, Debt – Debt with Conversion and Other Options and Derivatives and Hedging – Contracts in Entity's Own Equity, on January 1, 2021. The new standard simplifies the accounting for convertible debt by removing the requirements to separately present certain conversion features in equity. In addition, the new standard also simplifies the guidance in ASC 815-40, Derivatives and Hedging – Contract in Entity's Own Equity, by removing certain criteria that must be satisfied to classify a contract as equity. Finally, the new standard revises the guidance on calculating earnings per share. The Company determined under the guidance of the new standard that the embedded conversion option does not require bifurcation and all proceeds were allocated to the Convertible Notes as a single instrument and is included in Long-Term Debt in the accompanying consolidated balance sheets. The costs incurred in the issuance, including the initial purchasers discount, totaling approximately \$9.6 million, are classified as a cash outflow within the financing activities section in the consolidated statement of cash flows, and are also being amortized to expense over the term of the Convertible Notes. The Company did not have any convertible instruments outstanding during 2020.

Because the Company currently intends to settle conversions by paying cash up to the principal amount of the Convertible Notes, with any excess conversion value settled in shares of common stock, the Convertible Notes are being accounted for using the net settlement method (or treasury stock-type method) for the purposes of calculating diluted earnings per share. Using this method, the denominator will be affected when the average share price of the Company's common stock for a given period is greater than the conversion price of approximately \$ 9.225 per share. There was no dilutive impact for the year ended December 31, 2021.

#### ***6.00% Senior Notes due 2026***

On April 18, 2016, the Company completed an offering of \$350.0 million aggregate principal amount of 6.00% senior notes due 2026. The 6.00% Senior Notes were offered and sold in a registered offering pursuant to an underwriting agreement, dated as of April 11, 2016 (the "Underwriting Agreement") among the Company, certain of the Company's domestic subsidiaries, as guarantors and the representative for the underwriters named therein. The 6.00% Senior Notes were issued by the Company pursuant to the Indenture, dated as of September 25, 2014 (the "Base Indenture"), by and between the Company and the trustee, as supplemented by a Second Supplemental Indenture, dated as of April 18, 2016 (the "Second Supplemental Indenture" and together with the Base Indenture, the "Indenture"), by and among the Company, the guarantors and the trustee which governs the terms of the 6.00% Senior Notes. The sale of the 6.00% Senior Notes was registered under GEO's prior shelf registration statement on Form S-3 filed on September 12, 2014, as amended (File No. 333-198729). The 6.00% Senior Notes were issued at a coupon rate and yield to maturity of 6.00%. Interest on the 6.00% Senior Notes is payable semi-annually on April 15 and October 15 of each year, commencing on October 15, 2016. The 6.00% Senior Notes mature on April 15, 2026. The Company used the net proceeds to

fund the tender offer and the redemption of all of its 6.625% Senior Notes, to pay all related fees, costs and expenses and for general corporate purposes including repaying borrowings under the Company's Revolver.

Up to 35% of the aggregate principal amount of the 6.00% Senior Notes could have been redeemed on or prior to April 15, 2019, with the net cash proceeds from certain equity offerings at a redemption price equal to 106.000% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date. In addition, GEO may, at its option, redeem the 6.00% Senior Notes in whole or in part before April 15, 2021 at a redemption price equal to 100% of the principal amount of the 6.00% Senior Notes being redeemed plus a "make-whole" premium, together with accrued and unpaid interest, if any, to the redemption date.

On or after April 15, 2021, GEO may, at its option, redeem all or part of the 6.00% Senior Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the 6.00% Senior Notes redeemed, to the applicable redemption date, if redeemed during the 12-month period beginning on April 15 of the years indicated below:

<b>Year</b>	<b>Percentage</b>
2022	102.000%
2023	101.000%
2024 and thereafter	100.000%

If there is a "change of control" (as defined in the Indenture), holders of the 6.00% Senior Notes will have the right to cause GEO to repurchase their 6.00% Senior Notes at a price equal to 101% of the principal amount of the 6.00% Senior Notes repurchased plus accrued and unpaid interest, if any, to the purchase date.

The 6.00% Senior Notes are guaranteed on a senior unsecured basis by the guarantors. The 6.00% Senior Notes and the guarantees are unsecured, unsubordinated obligations of GEO and the guarantors. The 6.00% Senior Notes rank equally in right of payment with any unsecured, unsubordinated indebtedness of GEO and the guarantors, including GEO's 5.125% Senior Notes due 2023 and the 5.875% Senior Notes due 2024, and the guarantors' guarantees thereof, senior in right of payment to any future indebtedness of GEO and the guarantors that is expressly subordinated to the 6.00% Senior Notes and the guarantees, effectively junior to any secured indebtedness of GEO and the guarantors, including indebtedness under GEO's Senior Credit Facility, to the extent of the value of the assets securing such indebtedness, and structurally junior to all obligations of GEO's subsidiaries that are not guarantors, including trade payables.

The Indenture contains covenants which, among other things, limit the ability of GEO and its "restricted subsidiaries" (as defined in the Indenture) to incur additional indebtedness or issue preferred stock, make dividend payments or other restricted payments (other than the payment of dividends or other distributions, or any other actions necessary to maintain GEO's status as a real estate investment trust), create liens, sell assets, engage in sale and lease back transactions, create or permit restrictions on the ability of the restricted subsidiaries to pay dividends or make other distributions to GEO, enter into transactions with affiliates, and enter into mergers, consolidations or sales of all or substantially all of their assets. These covenants are subject to a number of limitations and exceptions as set forth in the Indenture. The Company was in compliance with all of the covenants of the indenture governing the 6.00% Senior Notes as of December 31, 2021.

The Indenture also contains events of default with respect to, among other things, the following: failure by GEO to pay interest on the 6.00% Senior Notes when due, which failure continues for 30 days; failure by GEO to pay the principal of, or premium, if any, on, the 6.00% Senior Notes when due; failure by GEO or any of its restricted subsidiaries to comply with their obligations to offer to repurchase the 6.00% Senior Notes at the option of the holders of the 6.00% Senior Notes upon a change of control, to offer to redeem the 6.00% Senior Notes under certain circumstances in connection with asset sales with "excess proceeds" (as defined in the Indenture) in excess of \$50.0 million or to observe certain restrictions on mergers, consolidations and sales of substantially all of their assets; the failure by GEO or any guarantor to comply with any of the other agreements in the Indenture, which failure continues for 60 days after notice; and certain events of bankruptcy or insolvency of GEO or a restricted subsidiary that is a significant subsidiary or any group of restricted subsidiaries that together would constitute a significant subsidiary.

#### ***5.875% Senior Notes due 2024***

On September 25, 2014, the Company completed an offering of \$250.0 million aggregate principal amount of senior unsecured notes (the "5.875% Senior Notes due 2024"). The notes will mature on October 15, 2024 and have a coupon rate and yield to maturity of 5.875%. Interest is payable semi-annually in cash in arrears on April 15 and October 15, beginning April 15, 2015. The 5.875% Senior Notes due 2024 are guaranteed on a senior unsecured basis by all the Company's restricted subsidiaries that guarantee obligations. The 5.875% Senior Notes due 2024 rank equally in right of payment with any unsecured, unsubordinated indebtedness of the Company and the guarantors, including the Company's 5.125% Senior Notes due 2023, the 6.00% Senior Notes due 2026, and the guarantors' guarantees thereof, senior in right of payment to any future indebtedness of the Company and the guarantors that is expressly subordinated to the 5.875% Senior Notes due 2024 and the guarantees, effectively junior to any secured indebtedness of the Company and the guarantors, including indebtedness under the Company's

Senior Credit Facility, to the extent of the value of the assets securing such indebtedness, and structurally junior to all obligations of the Company's subsidiaries that are not guarantors. The sale of the 5.875% Senior Notes due 2024 was registered under the Company's prior shelf registration statement on Form S-3 filed on September 12, 2014, as supplemented by the Preliminary Prospectus Supplement filed on September 22, 2014 and the Prospectus Supplement filed on September 24, 2014.

The Company could have, at its option, redeemed the 5.875% Senior Notes due 2024 in whole or in part before October 15, 2019 at a redemption price equal to 100% of the principal amount of the 5.875% Senior Notes due 2024 being redeemed plus a "make-whole" premium, together with accrued and unpaid interest, if any, to the redemption date. In addition, the Company may, at its option, redeem the 5.875% Senior Notes due 2024 in whole or in part on or after October 15, 2019 through 2024 and thereafter as indicated below:

Year	Percentage
2022 and thereafter	100.000%

The indenture contains covenants which, among other things, limit the ability of the Company and its restricted subsidiaries to incur additional indebtedness or issue preferred stock, make dividend payments or other restricted payments (other than the payment of dividends or other distributions, or any other actions necessary to maintain the Company's status as a real estate investment trust), create liens, sell assets, engage in sale and lease back transactions, create or permit restrictions on the ability of the restricted subsidiaries to pay dividends or make other distributions to the Company, enter into transactions with affiliates, and enter into mergers, consolidations or sales of all or substantially all of their assets. These covenants are subject to a number of limitations and exceptions as set forth in the indenture. The Company was in compliance with all of the covenants of the indenture governing the 5.875% Senior Notes due 2024 as of December 31, 2021.

The indenture also contains events of default with respect to, among other things, the following: failure by the Company to pay interest on the 5.875% Senior Notes due 2024 when due, which failure continues for 30 days; failure by the Company to pay the principal of, or premium, if any, on, the 5.875% Senior Notes due 2024 when due; failure by the Company or any of its restricted subsidiaries to comply with their obligations to offer to repurchase the 5.875% Senior Notes due 2024 at the option of the holders of the 5.875% Senior Notes due 2024 upon a change of control, to offer to redeem the 5.875% Senior Notes due 2024 under certain circumstances in connection with asset sales with excess proceeds in excess of \$25.0 million or to observe certain restrictions on mergers, consolidations and sales of substantially all of their assets; the failure by the Company or any guarantor to comply with any of the other agreements in the indenture, which failure continues for 60 days after notice; and certain events of bankruptcy or insolvency of GEO or a restricted subsidiary that is a significant subsidiary or any group of restricted subsidiaries that together would constitute a significant subsidiary.

#### **5.125% Senior Notes due 2023**

On March 19, 2013, the Company completed an offering of \$300.0 million aggregate principal amount of senior unsecured notes in a private offering under the Indenture dated as of March 19, 2013 among GEO, certain of its domestic subsidiaries, as guarantors, and the trustee. The 5.125% Senior Notes were offered and sold to "qualified institutional buyers" in accordance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act. The notes will mature on April 1, 2023 and have a coupon rate and yield to maturity of 5.125%. Interest is payable semi-annually on April 1 and October 1 each year, beginning October 1, 2013. The 5.125% Senior Notes are guaranteed on a senior unsecured basis by all of the Company's restricted subsidiaries that guarantee obligations under the Senior Credit Facility, the Company's 6.00% Senior Notes and the 5.875% Senior Notes due 2024. The 5.125% Senior Notes and the guarantees are the Company's general unsecured senior obligations and rank equally in right of payment with all of the Company's and the guarantors' existing and future unsecured senior debt, including the Company's 6.00% Senior Notes and the 5.875% Senior Notes due 2024. The 5.125% Senior Notes and the guarantees are effectively subordinated to any of the Company's and the guarantors' existing and future secured debt to the extent of the value of the assets securing such debt, including all anticipated borrowings under the Senior Credit Facility. The 5.125% Senior Notes are structurally subordinated to all existing and future liabilities (including trade payables) of the Company's subsidiaries that do not guarantee the 5.125% Senior Notes.

At any time prior to April 1, 2018, the Company could have, at its option, redeemed all or a part of the 5.125% Senior Notes upon not less than 30 days nor more than 60 days prior notice at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) the Applicable Premium (as defined in the indenture) as of the date of redemption, plus (iii) accrued and unpaid interest and liquidated damages, if any, to the date of redemption. On or after April 1, 2018, the Company may, at its option, redeem all or a part of the 5.125% Senior Notes upon not less than 30 days nor more than 60 days notice at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and liquidated damages, if any, on the 5.125% Senior Notes redeemed, to the applicable redemption date, if redeemed during the period beginning on April 1 of the years indicated below:

Year	Percentage
2021 and thereafter	100.000%

If there is a "change of control" (as defined in the Indenture), holders of the 5.125% Senior Notes will have the right to cause GEO to repurchase their 5.125% Senior Notes at a price equal to 101% of the principal amount of the 5.125% Senior Notes repurchased plus accrued and unpaid interest and liquidated damages, if any, to the purchase date.

The indenture governing the 5.125% Senior Notes contains certain covenants, including limitations and restrictions on the Company and its restricted subsidiaries' ability to: incur additional indebtedness or issue preferred stock; make dividend payments or other restricted payments; create liens; sell assets; enter into transactions with affiliates; and enter into mergers, consolidations or sales of all or substantially all of the Company's assets. As of the date of the indenture, all of the Company's subsidiaries, other than certain dormant domestic and other subsidiaries and all foreign subsidiaries in existence on the date of the indenture, were restricted subsidiaries. The Company's failure to comply with certain of the covenants under the indenture governing the 5.125% Senior Notes could cause an event of default of any indebtedness and result in an acceleration of such indebtedness. In addition, there is a cross-default provision which becomes enforceable upon failure of payment of indebtedness at final maturity. The Company's unrestricted subsidiaries will not be subject to any of the restrictive covenants in the indenture. The Company was in compliance with all of the covenants of the indenture governing the 5.125% Senior Notes as of December 31, 2021.

The indenture also contains events of default with respect to, among other things, the following: failure by the Company to pay interest and liquidated damages, if any, on the 5.125% Senior Notes when due, which failure continues for 30 days; failure by the Company to pay the principal of, or premium, if any, on, the 5.125% Senior Notes when due; failure by the Company or any of its restricted subsidiaries to comply with their obligations to offer to repurchase the 5.125% Senior Notes at the option of the holders of the 5.125% Senior Notes upon a change of control, to offer to redeem notes under certain circumstances in connection with asset sales with "excess proceeds" (as defined in the indenture) in excess of \$25.0 million or to observe certain restrictions on mergers, consolidations and sales of substantially all of their assets; the failure by the Company or any guarantor to comply with any of the other agreements in the indenture, which failure continues for 60 days after notice; and certain events of bankruptcy or insolvency of the Company or a restricted subsidiary that is a significant subsidiary or any group of restricted subsidiaries that together would constitute a significant subsidiary.

#### ***5.875% Senior Notes due 2022***

On October 3, 2013, the Company completed an offering of \$250.0 million aggregate principal amount of senior notes due 2022 (the "5.875% Senior Notes due 2022") in a private offering under the Indenture dated as of October 3, 2013 among GEO, certain of its domestic subsidiaries, as guarantors, and the trustee. The 5.875% Senior Notes due 2022 were offered and sold to "qualified institutional buyers" in accordance with Rule 144A under the Securities Act, and outside the United States to non-U.S. persons in accordance with Regulations S under the Securities Act. The 5.875% Senior Notes due 2022 were issued at a coupon rate and yield to maturity of 5.875%. Interest on the 5.875% Senior Notes due 2022 was payable semi-annually in cash in arrears on January 15 and July 15, commencing on January 15, 2014. The 5.875% Senior Notes due 2022 were to mature on January 15, 2022. The 5.875% Senior Notes due 2022 and the guarantees were the Company's general unsecured senior obligations and ranked equally in right of payment with all of the Company's and the guarantors' existing and future unsecured senior debt, including the Company's 6.00% Senior Notes, the 5.125% Senior Notes and the 5.875% Senior Notes due 2024. The 5.875% Senior Notes due 2022 and the guarantees were effectively subordinated to any of the Company's and the guarantors' existing and future secured debt to the extent of the value of the assets securing such debt, including all anticipated borrowings under the Senior Credit Facility. The 5.875% Senior Notes due 2022 were structurally subordinated to all existing and future liabilities (including trade payables) of the Company's subsidiaries that do not guarantee the 5.875% Senior Notes due 2022. The Company redeemed the outstanding amount of 5.875% Senior Notes due 2022 in March 2021 as discussed above.

#### ***Debt Repurchases***

On August 16, 2019, the Company's Board of Directors authorized the Company to repurchase and/or retire a portion of the 6.00% Senior Notes due 2026, the 5.875% Senior Notes due 2024, the 5.125% Senior Notes due 2023, the 5.875% Senior Notes due 2022 (collectively the "GEO Senior Notes") and the Company's term loan under its Amended Credit Agreement through cash purchases, in open market, privately negotiated transactions, or otherwise, up to an aggregate maximum of \$100.0 million, subject to certain limitations through December 31, 2020. On February 11, 2021, the Company's Board of Directors authorized a new repurchase program for repurchases/retirements of the above referenced Senior Notes and term loan, subject to certain limitations up to an aggregate maximum of \$100.0 through December 31, 2022.

During 2021, the Company repurchased \$22.5 million in aggregate principal amount of its 5.125% Senior Notes due 2023 at a weighted average price of 90.68% for a total cost of \$20.4 million. Additionally, the Company repurchased \$17.2 million in aggregate principal amount of its 5.875% Senior Notes due 2024 at a weighted average price of 79.51% for a total cost of \$13.7 million. As a result of these repurchases, the Company recognized a net gain on extinguishment of debt of \$4.7 million, net of the write-off of associated unamortized deferred loan costs.

During 2020, the Company repurchased approximately \$7.5 million in aggregate principal amount of its 5.875% Senior Notes due 2024 at a weighted average price of 77.28% for a total cost of \$5.8 million. Additionally, during 2020, the Company repurchased approximately \$18.2 million in aggregate principal amount of its 5.125% Senior Notes due 2023 at a weighted average price of 78.99% for a total cost of \$14.3 million. As a result of these repurchases, the Company recognized a net gain on extinguishment of debt of \$5.3 million during the year ended December 31, 2020.



### ***Non-Recourse Debt***

#### *Northwest ICE Processing Center*

On December 9, 2011, the Washington Economic Development Finance Authority issued \$54.4 million of its Washington Economic Development Finance Authority Taxable Economic Development Revenue Bonds, series 2011 ("2011 Revenue Bonds"). The 2011 Revenue Bonds were issued to provide funds to make a loan to Correctional Services Corporation ("CSC") for purposes of reimbursing GEO for costs incurred by GEO for the 2009 expansion of the Northwest ICE Processing Center and paying the costs of issuing the 2011 Revenue Bonds. The payment of principal and interest on the bonds was non-recourse to GEO. None of the bonds nor CSC's obligations under the loan were obligations of GEO nor were they guaranteed by GEO. The 2011 Revenue Bonds matured in October 2021 and were satisfied in full.

#### *Australia - Ravenhall*

In connection with a design and build facility project agreement with the State of Victoria, in September 2014 the Company entered into a syndicated facility agreement (the "Construction Facility") to provide debt financing for construction of the project. Refer to Note 6 - Contract Receivable. The Construction Facility provided for non-recourse funding up to AUD 791.0 million, or \$574.5 million, based on exchange rates as of December 31, 2021. Construction draws were funded throughout the project according to a fixed utilization schedule as defined in the syndicated facility agreement. The term of the Construction Facility was through September 2019 and bore interest at a variable rate quoted by certain Australian banks plus 200 basis points. On May 22, 2019, the Company completed an offering of AUD 461.6 million, or \$335.2 million, based on exchange rates as of December 31, 2021, aggregate principal amount of non-recourse senior secured notes due 2042 (the "Non-Recourse Notes"). The amortizing Non-Recourse Notes were issued by Ravenhall Finance Co Pty Limited in a private placement pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended. The Non-Recourse Notes were issued with a coupon and yield to maturity of 4.23% with a maturity date of March 31, 2042. The net proceeds from this offering were used to refinance the outstanding Construction Facility and to pay all related fees, costs and expenses associated with the transaction. Loan costs of approximately \$7.5 million were incurred and capitalized in connection with the offering.

#### ***Other***

In August 2019, the Company entered into two identical promissory notes in the aggregate amount of \$44.3 million which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The terms of the promissory notes are through September 1, 2034 and bear interest at LIBOR plus 200 basis points and are payable in monthly installments plus interest. The Company has entered into interest rate swap agreements to fix the interest rate at 4.22%. Included in the balance at December 31, 2021 is \$0.6 million of deferred loan costs incurred in the transaction. Refer to Note 7 - Derivative Financial Instruments for further information.

## Debt Repayment

Debt repayment schedules under Finance Lease Obligations, Long-Term Debt, Non-Recourse Debt and the Senior Credit Facility are as follows:

Fiscal Year	Finance Leases	Long-Term Debt	Non-Recourse Debt			Term Loans	Total Annual Repayment
			Revolver				
			(In thousands)				
2022	\$ 1,992	\$ 1,006	\$ 7,696	\$ —	\$ 8,000	\$ 18,694	
2023	759	260,441	8,510	—	8,000	277,710	
2024	759	226,507	8,996	784,895	746,000	1,767,157	
2025	536	1,274	9,679	—	—	11,489	
2026	28	581,325	10,254	—	—	591,607	
Thereafter	—	36,015	264,973	—	—	300,988	
	4,074	1,106,568	310,108	784,895	762,000	2,967,645	
Interest imputed on finance leases	(231)	—	—	—	—	(231)	
Original issue discount	—	—	0	—	(1,152)	(1,152)	
Current portion	(1,866)	(1,006)	(7,696)	—	(8,000)	(18,568)	
Non-current portion	\$ 1,977	\$ 1,105,562	\$ 302,412	\$ 784,895	\$ 752,848	\$ 2,947,694	

## Guarantees

The Company has entered into certain guarantees in connection with the performance of a facility in Australia (Refer to Note 6 - Contract Receivable). The obligations amounted to approximately AUD59 million, or \$42.8 million, based on exchange rates in effect as of December 31, 2021. These guarantees are secured by outstanding letters of credit under the Company's Revolver as of December 31, 2021.

At December 31, 2021, the Company also had seven letters of guarantee outstanding under separate international facilities relating to performance guarantees of its Australian subsidiary totaling \$9.7 million.

Except as discussed above, the Company does not have any off-balance sheet arrangements.

## 13. Leases

The Company has operating and finance leases for facilities, ground leases, office space, computers, copier equipment and transportation vehicles that have remaining lease terms of one year to seventy-seven years, some of which include options to extend the lease for up to ten years. For leases with terms greater than 12 months, the Company records the related asset and obligation at the present value of the lease payments over the term of the lease. Many of GEO's leases include rental escalation clauses, renewal options and/or termination options that are factored into the determination of lease payments when appropriate. Only renewal or termination options that are reasonably certain to be exercised by the Company are included in the lease term which is used in the calculation of lease liabilities and right-of-use assets. GEO does not typically enter into lease agreements that contain a residual guarantee or that provide for variable lease payments.

When available, GEO uses the rate implicit in the lease to discount lease payments to present value, however, most of GEO's lease agreements do not provide a readily determinable implicit rate. Therefore, the Company must estimate its incremental borrowing rate to discount the lease payments based on information available at lease commencement.

Lease related assets and liabilities are recorded on the balance sheet as follows (in thousands):

	Classification on the Balance Sheet	December 31, 2021	December 31, 2020
<b>Assets</b>			
Operating lease assets	Operating Lease Right-of-Use Assets, Net	\$ 112,187	\$ 124,727
Finance lease assets	Property and Equipment, Net	3,420	3,914
<b>Total lease assets</b>		<b>\$ 115,607</b>	<b>\$ 128,641</b>
<b>Liabilities</b>			
<b>Current</b>			
Operating	Operating lease liabilities, current portion	\$ 28,279	\$ 29,080
Finance [1]	Current portion of finance liabilities, long-term debt and non-recourse debt	1,866	2,041
<b>Noncurrent</b>			
Operating	Operating Lease Liabilities	89,917	101,375
Finance [1]	Finance Lease Liabilities	1,977	2,988
<b>Total lease liabilities</b>		<b>\$ 122,039</b>	<b>\$ 135,484</b>

[1] Also refer to Note 12 - Debt.

Certain information related to the lease costs for finance and operating leases is presented as follows (in thousands):

	Year Ended December 31, 2021	Year Ended December 31, 2020
Operating lease cost	\$ 40,020	\$ 39,506
Finance lease cost:		
Amortization of right-of-use assets	1,687	1,225
Interest on lease liabilities	287	352
<b>Total finance lease cost</b>	<b>1,974</b>	<b>1,577</b>
Short-term lease cost	350	3,293
<b>Total lease cost</b>	<b>\$ 42,344</b>	<b>\$ 44,376</b>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	\$ 38,874	\$ 38,847
Operating cash flows for finance leases	\$ 1,255	\$ 276
Financing activities for finance leases	\$ 1,289	\$ 1,918
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 10,786	\$ 23,940
Right-of-use assets obtained in exchange for new finance lease liabilities	\$ 1,198	\$ 2,260
Weighted average remaining lease term:		
Operating leases	6.2 years	6.8 years
Finance leases	3.8 years	2.9 years
Weighted average discount rate:		
Operating leases	4.56%	4.65%
Finance leases	5.26%	6.47%

## Undiscounted Cash Flows

The table below reconciles the undiscounted cash flows for each of the first five years and total of the remaining years to the operating lease liabilities and finance lease liabilities recorded on the balance sheet as of December 31, 2021 (in thousands).

	Operating Leases	Finance Leases
2022	\$ 36,704	\$ 1,992
2023	28,388	759
2024	22,854	759
2025	14,617	536
2026	9,020	28
Thereafter	26,356	—
Total minimum lease payments	137,939	4,074
Less: amount of lease payment representing interest	(19,743)	(231)
Present value of future minimum lease payments	118,196	3,843
Less: current obligations under leases	(28,279)	(1,866)
Long-term lease obligations	\$ 89,917	\$ 1,977

## 14. Benefit Plans

The Company's employees participate in an Employee Retirement Savings Plan (the "Retirement Plan") under Section 401(k) of the Internal Revenue Code that covers substantially all U.S. based salaried employees. Employees may contribute a percentage of eligible compensation to the plan, subject to certain limits under the Internal Revenue Code. For the years ended December 31, 2021, 2020 and 2019, the Company provided matching contributions of \$7.3 million, \$8.3 million and \$5.3 million, respectively.

The Company has two non-contributory defined benefit pension plans covering certain of the Company's executives. Retirement benefits are based on years of service, employees' average compensation for the last five years prior to retirement and social security benefits. Currently, the plans are not funded. The Company purchased and is the beneficiary of life insurance policies for certain participants enrolled in the plans. There were no significant transactions between the employer or related parties and the plans during 2021, 2020 or 2019.

The Company has a non-qualified deferred compensation agreement with its former Chief Executive Officer ("CEO"). The agreement provides for a lump sum payment upon retirement, no sooner than age 55. As of December 31, 2021, the former CEO had reached age 55 and was eligible to receive the payment upon retirement. If the Company's former CEO had retired as of December 31, 2021, the Company would have had to pay him approximately \$8.9 million in shares of the Company's common stock (determined as of February 26, 2020) plus additional shares credited for dividends declared and paid on the shares of the Company's common stock as further discussed below.

On February 26, 2020 (the "Effective Date"), the Company and its former CEO entered into an amended and restated executive retirement agreement that amends the CEO's executive retirement agreement.

The amended and restated executive retirement agreement provided that upon the former CEO's retirement from the Company, the Company would pay a lump sum amount equal to \$8,925,065 (determined as of February 26, 2020) (the "Grandfathered Payment") which was to be paid in the form of a fixed number of shares of the Company's common stock.

On the Effective Date, an amount equal to the Grandfathered Payment was invested in the Company's common stock ("GEO Shares"). The number of the Company's shares of common stock as of the Effective Date was equal to the Grandfathered Payment divided by the closing price of the Company's common stock on the Effective Date (rounded up to the nearest whole number of shares), which equals 553,665 shares of the Company's common stock. Additional shares of the Company's common stock were credited with a value equal to any dividends declared and paid on the Company's shares of common stock, calculated by reference to the closing price of the Company's common stock on the payment date for such dividends (rounded up to the nearest whole number of shares).

The Company had established several trusts for the purpose of paying the retirement benefit pursuant to the amended and restated executive retirement agreement. The trusts are revocable "rabbi trusts" and the assets of the trusts are subject to the claims of the Company's creditors in the event of the Company's insolvency.

The Company repurchased shares of its outstanding common stock under its stock buyback program and contributed such shares to the trusts in order to fund the retirement benefit under the amended and restated executive retirement agreement. In accordance with Accounting Standards Codification (“ASC”) 710 – Compensation-General, the shares of common stock held in the rabbi trusts are classified as treasury stock. In addition, the amended and restated executive retirement agreement qualified for equity accounting under ASC 710 and therefore, the fair value of the Grandfathered Payment was reclassified to stockholders’ equity.

The Company and its former CEO, subsequently entered into on May 27, 2021, and effective July 1, 2021, an Amended and Restated Executive Retirement Agreement which replaced the February 26, 2020 agreement discussed above. Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that the former CEO ceases to provide services to the Company, the Company will pay to the former CEO an amount equal to \$3,600,000 which shall be paid in cash. As the former CEO’s retirement payment will no longer be settled with a fixed number of shares of GEO’s common stock, \$3,600,000 has been reclassified from equity to other non-current liabilities in 2021. The balance of the Amended and Restated Executive Retirement Agreement was approximately \$5 million at December 31, 2021. Refer to Note 17 – Commitments, Contingencies and Other Matters for further information.

The long-term portion of the pension liability related to the defined benefit plans as of December 31, 2021 and 2020 was \$31.5 million and \$33.2 million, respectively, and is included in Other Non-Current liabilities in the accompanying consolidated balance sheets.

The following table summarizes key information related to the Company's pension plans and retirement agreements. The table illustrates the reconciliation of the beginning and ending balances of the benefit obligation showing the effects during the periods presented attributable to service cost, interest cost, plan amendments, termination benefits, actuarial gains and losses. The assumptions used in the Company's calculation of accrued pension costs are based on market information and the Company's historical rates for employment compensation and discount rates.

	December 31, 2021	December 31, 2020
<b>Accumulated Benefit Obligation, End of Year</b>	\$ 25,417	\$ 25,229
<b>Change in Projected Benefit Obligation</b>		
Projected Benefit Obligation, Beginning of Year	\$ 33,530	\$ 37,551
Service Cost	1,404	1,254
Interest Cost	1,274	1,306
Other reclassification [1]	—	(8,925)
Actuarial (Gain) Loss	(3,505)	3,180
Benefits Paid	(873)	(836)
Projected Benefit Obligation, End of Year	\$ 31,830	\$ 33,530
<b>Change in Plan Assets</b>		
Plan Assets at Fair Value, Beginning of Year	\$ —	\$ —
Company Contributions	873	836
Benefits Paid	(873)	(836)
Plan Assets at Fair Value, End of Year	\$ —	\$ —
<b>Unfunded Status of the Plan</b>	<u>\$ (31,830)</u>	<u>\$ (33,530)</u>
<b>Amounts Recognized in Accumulated Other Comprehensive Income</b>		
Net Loss	6,631	10,925
Total Pension Cost	<u>\$ 6,631</u>	<u>\$ 10,925</u>

	2021	2020
<b>Components of Net Periodic Benefit Cost</b>		
Service Cost	\$ 1,404	\$ 1,254
Interest Cost	1,274	1,306
Amortization of:		
Net Loss	788	540
Net Periodic Pension Cost	<u>\$ 3,466</u>	<u>\$ 3,100</u>
<b>Weighted Average Assumptions for Expense</b>		
Discount Rate	3.05%	2.80%
Expected Return on Plan Assets	N/A	N/A
Rate of Compensation Increase	4.40%	4.40%

[1] Represents the reclassification of the fair value of the Grandfathered Payment under the amended and restated executive retirement agreement as discussed above.

The amount included in accumulated other comprehensive income as of December 31, 2021 that has not yet been recognized as a component of net periodic benefit cost is \$6.6 million. The amount included in other accumulated comprehensive income as of December 31, 2021 that is expected to be recognized as a component of net periodic benefit cost in fiscal year 2022 is \$0.4 million.

The benefit payments reflected in the table below represent the Company's obligations to employees that are eligible for retirement or have already retired and are receiving deferred compensation benefits:

<b>Fiscal Year</b>	<b>Pension Benefits</b>
	<b>(In thousands)</b>
2022	\$ 912
2023	904
2024	993
2025	1,059
2026	1,242
Thereafter	26,720
	<u>\$ 31,830</u>

The Company also maintains The GEO Group Inc. Deferred Compensation Plan ("Deferred Compensation Plan"), a non-qualified deferred compensation plan for employees who are ineligible to participate in its qualified 401(k) plan. Eligible employees may defer a fixed percentage of their salary and the Company matches employee contributions up to a certain amount based on the employee's years of service. Payments will be made at retirement age of 65, at termination of employment or earlier depending on the employees' elections. The Company established a rabbi trust; the purpose of which is to segregate the assets of the Deferred Compensation Plan from the Company's cash balances. The funds in the rabbi trust are included in Restricted Cash and Investments in the accompanying Consolidated Balance Sheets. These funds are not available to the Company for any purpose other than to fund the Deferred Compensation Plan; however, these funds may be available to the Company's creditors in the event the Company becomes insolvent. The rabbi trust had a balance of approximately \$42.9 million at December 31, 2021. All employee and employer contributions relative to the Deferred Compensation Plan are made directly to the rabbi trust. The Company recognized expense related to its contributions of \$0.1 million for each of the years ended December 31, 2021, 2020 and 2019. The total liability for this plan at December 31, 2021 and 2020 was approximately \$35.0 million and \$36.9 million, respectively, and is included in Other Non-Current Liabilities in the accompanying Consolidated Balance Sheets. The current portion of this liability was \$3.7 million and \$2.0 million as of December 31, 2021 and 2020, respectively.

## 15. Business Segments and Geographic Information

### *Operating and Reporting Segments*

The Company conducts its business through four reportable business segments: the U.S. Secure Services segment; the Electronic Monitoring and Supervision Services segment; the Reentry Services segment; and the International Services segment. The Company has identified these four reportable segments to reflect the current view that the Company operates four distinct business lines, each of which constitutes a material part of its overall business. The Company determined that its previously reportable business segment, Facility Construction and Design, no longer qualifies as a reportable segment as it no longer meets certain quantitative thresholds and has been aggregated with the Company's International Services reportable business segment below. In addition, the Company appointed a new Chief Executive Officer, the chief operating decision maker, during fiscal 2021. Based on changes to the way the Company's chief operating decision maker views the business and financial results used to allocate resources to its electronic monitoring and supervision services operations, along with the growth of the business, the Company will report the electronic monitoring and supervision services operation as a separate reportable segment. This new segment will be presented as Electronic Monitoring and Supervision Services. Previously, the electronic monitoring and supervision services operations were included in the GEO Care reportable segment. In addition, the GEO Care reportable segment was renamed Reentry Services and will include services provided to adults for residential and non-residential treatment, educational and community-based programs, pre-release and half-way house programs. Reentry Services also includes activities for our former youth division for half of 2021 and all historical periods. The youth division was divested on July 1, 2021. Refer to Note 17 – Commitments, Contingencies and Other Matters. The Company has retroactively restated its segment presentation for the years ended December 31, 2021, 2020 and 2019 to reflect these changes.

The U.S. Secure Services segment primarily encompasses U.S.-based secure services business. The Electronic Monitoring and Supervision Services segment, which conducts its services in the United States, represents services provided to adults for monitoring services and evidence-based supervision and treatment programs for community-based parolees, probationers, and pretrial defendants. The Reentry Services segment, which conducts its services in the United States represents services provided to adults for residential and non-residential treatment, educational and community-based programs, pre-release and half-way house programs. The International Services segment

primarily consists of secure services operations in South Africa and Australia. Segment disclosures below (in thousands) reflect the results of continuing operations. All transactions between segments are eliminated.

<b>Fiscal Year</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Revenues:</b>			
U.S. Secure Services	\$ 1,488,936	\$ 1,571,216	\$ 1,601,679
Electronic Monitoring and Supervision Services	278,934	241,944	256,954
Reentry Services	274,893	309,398	357,295
International Services	213,849	227,540	261,994
<b>Total revenues</b>	<b>\$ 2,256,612</b>	<b>\$ 2,350,098</b>	<b>\$ 2,477,922</b>
<b>Capital Expenditures:</b>			
U.S. Secure Services	\$ 23,780	\$ 58,410	\$ 54,642
Electronic Monitoring and Supervision Services	29,504	32,972	32,467
Reentry Services	14,675	16,276	28,488
International Services	1,435	1,142	1,647
<b>Total capital expenditures</b>	<b>\$ 69,394</b>	<b>\$ 108,800</b>	<b>\$ 117,244</b>
<b>Depreciation and amortization:</b>			
U.S. Secure Services	\$ 83,721	\$ 80,702	\$ 78,974
Electronic Monitoring and Supervision Services	30,422	31,678	29,828
Reentry Services	18,773	20,154	19,953
International Services	2,261	2,146	2,070
<b>Total depreciation and amortization</b>	<b>\$ 135,177</b>	<b>\$ 134,680</b>	<b>\$ 130,825</b>
<b>Operating Income:</b>			
U.S. Secure Services	\$ 292,925	\$ 298,952	\$ 323,391
Electronic Monitoring and Supervision Services	127,070	97,421	104,538
Reentry Services [1]	50,128	6,740	44,306
International Services	22,266	19,664	16,797
<b>Operating income from segments</b>	<b>\$ 492,389</b>	<b>\$ 422,777</b>	<b>\$ 489,032</b>
General and Administrative Expenses	(204,306)	(193,372)	(185,926)
<b>Total operating income</b>	<b>\$ 288,083</b>	<b>\$ 229,405</b>	<b>\$ 303,106</b>

[1] Operating income for Reentry Services for the year ended December 31, 2020 includes a goodwill impairment charge of \$21.1

#### *Pre-Tax Income Reconciliation of Segments*

The following is a reconciliation of the Company's total operating income from its reportable segments to the Company's income before income taxes and equity in earnings of affiliates, in each case, during the years ended December 31, 2021, 2020 and 2019, respectively.

<b>Fiscal Year Ended</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<b>(In thousands)</b>	
Operating income from segments	\$ 492,389	\$ 422,777	\$ 489,032
<b>Unallocated amounts:</b>			
General and administrative expense	(204,306)	(193,372)	(185,926)
Net interest expense	(105,453)	(103,765)	(122,090)
Gain (loss) on extinguishment of debt	4,693	5,319	(4,795)
Net gain (loss) on disposition of assets	5,499	(6,831)	(2,693)
<b>Income before income taxes and equity in earnings of affiliates</b>	<b>\$ 192,822</b>	<b>\$ 124,128</b>	<b>\$ 173,528</b>



	2021	2020
	(In thousands)	
<b>Segment assets:</b>		
U.S. Secure Services	\$ 2,433,023	\$ 2,529,375
Reentry Services	566,916	657,214
Electronic Monitoring and Supervision Services	483,112	401,291
International Services	451,547	488,040
<b>Total segment assets</b>	<b>\$ 3,934,598</b>	<b>\$ 4,075,920</b>

**Asset Reconciliation**

The following is a reconciliation of the Company's reportable segment assets to the Company's total assets as of December 31, 2021 and 2020, respectively.

	2021	2020
	(In thousands)	
Reportable segment assets	\$ 3,934,598	\$ 4,075,920
Cash	506,491	283,524
Deferred income tax assets	—	36,604
Restricted cash and investments, current and non-current	96,319	64,078
<b>Total assets</b>	<b>\$ 4,537,408</b>	<b>\$ 4,460,126</b>

**Geographic Information**

During each of the years ended December 31, 2021, 2020 and 2019, the Company's international operations were conducted through (i) the Company's wholly owned Australian subsidiary, The GEO Group Australia Pty. Ltd., through which the Company has management contracts for four correctional facilities, (ii) the Company's wholly owned subsidiaries, GEO Ravenhall Finance Holdings Pty. Ltd. and GEO Ravenhall Holdings Pty. Ltd. which, together, had a design and construction contract for a facility in Ravenhall, Australia which was completed in November 2017, (iii) the Company's wholly-owned subsidiary in South Africa, SACM, through which the Company manages one correctional facility, and (iv) the Company's wholly-owned subsidiary in the United Kingdom, The GEO Group UK Ltd., through which the Company managed the Dungavel House Immigration Removal Centre (GEO transitioned the management contract for Dungavel to the government effective September 30, 2021).

<b>Fiscal Year</b>	2021	2020	2019
	(In thousands)		
<b>Revenues:</b>			
U.S. operations	\$ 2,043,157	\$ 2,123,045	\$ 2,216,401
Australia operations	186,980	201,932	235,462
South African operations	19,527	17,044	18,779
United Kingdom operations	6,948	8,077	7,280
<b>Total revenues</b>	<b>\$ 2,256,612</b>	<b>\$ 2,350,098</b>	<b>\$ 2,477,922</b>
<b>Property and Equipment, net:</b>			
U.S. operations	\$ 2,026,252	\$ 2,109,070	\$ 2,131,877
Australia operations	11,491	12,908	12,215
South African operations	102	127	182
United Kingdom operations	—	90	448
<b>Total Property and Equipment, net</b>	<b>\$ 2,037,845</b>	<b>\$ 2,122,195</b>	<b>\$ 2,144,722</b>

### Sources of Revenue

The Company derives most of its revenue from the management of secure facilities through public-private partnerships. The Company also derives revenue from the provision of reentry services and electronic monitoring and evidence-based supervision and treatment programs in the United States, and expansion of new and existing secure facilities, processing centers and reentry centers.

Fiscal Year	2021	2020
	(In thousands)	
Revenues:		
Secure Services	\$ 1,702,785	\$ 1,798,756
Electronic Monitoring and Supervision Services	278,934	241,944
Reentry Services	274,893	309,398
Total revenues	\$ 2,256,612	\$ 2,350,098

### Equity in Earnings of Affiliates

Equity in earnings of affiliates for 2021, 2020 and 2019 includes the operating results of the Company's joint ventures in SACS and GEOAmeY. These joint ventures are accounted for under the equity method and the Company's investments in SACS and GEOAmeY are presented as a component of other non-current assets in the accompanying Consolidated Balance Sheets.

The Company has recorded \$3.6 million, \$3.7 million and \$5.0 million in earnings, net of tax impact, for SACS operations during the years ended December 31, 2021, 2020 and 2019, respectively, which are included in equity in earnings of affiliates, net of income tax provision in the accompanying Consolidated Statements of Operations. As of December 31, 2021 and 2020, the Company's investment in SACS was \$10.3 million and \$11.1 million, respectively. The investment is included in other non-current assets in the accompanying Consolidated Balance Sheets. The Company received dividend distributions of \$3.1 million and \$5.9 million, in 2021 and 2020, respectively, from this unconsolidated joint venture.

The Company has recorded \$3.6 million, \$5.5 million and \$4.6 million in earnings, net of tax impact, for GEOAmeY's operations during the years ended December 31, 2021, 2020 and 2019, respectively, which are included in equity in earnings of affiliates, net of income tax provision, in the accompanying Consolidated Statements of Operations. As of December 31, 2021 and 2020, the Company's investment in GEOAmeY was \$10.1 million and \$11.8 million, respectively, and represents its share of cumulative reported earnings. The Company received dividend distributions of \$5.2 million in 2021 from this unconsolidated joint venture. There were no dividend distributions in 2020.

### Business Concentration

Except for the major customer noted in the following table, no other single customer made up greater than 10% of the Company's consolidated revenues for the following fiscal years:

Customer	2021	2020	2019
Various agencies of the U.S Federal Government:	58%	56%	53%

The concentrations above relate entirely to the Company's U.S. Secure Services segment.

Credit risk related to accounts receivable is reflective of the related revenues.

## 16. Income Taxes

The United States and foreign components of income before income taxes and equity in earnings in affiliates are as follows:

	2021	2020	2019
	(In thousands)		
Income before income taxes and equity in earnings in affiliates			
United States	\$ 161,856	\$ 96,428	\$ 155,844
Foreign	30,966	27,700	17,684
Income before income taxes and equity in earnings in affiliates	\$ 192,822	\$ 124,128	\$ 173,528

The provision for income taxes consists of the following components:

	2021	2020	2019
	(In thousands)		
<b>Federal income taxes:</b>			
Current	\$ 20,006	\$ 8,259	\$ 13,018
Deferred	71,202	(255)	(7,028)
	<u>91,208</u>	<u>8,004</u>	<u>5,990</u>
<b>State income taxes:</b>			
Current	8,564	4,146	5,093
Deferred	18,587	47	(383)
	<u>27,151</u>	<u>4,193</u>	<u>4,710</u>
<b>Foreign income taxes:</b>			
Current	7,780	(3,163)	(875)
Deferred	(3,409)	11,429	6,823
	<u>4,371</u>	<u>8,266</u>	<u>5,948</u>
<b>Total U.S. and foreign provision for income taxes</b>	<u>\$ 122,730</u>	<u>\$ 20,463</u>	<u>\$ 16,648</u>

A reconciliation of the statutory U.S. federal tax rate of 21% and the effective income tax rate is as follows:

	2021	2020	2019
	(In thousands)		
Provisions using statutory federal income tax rate	\$ 40,492	\$ 26,067	\$ 36,476
State income taxes, net of federal tax benefit	7,921	3,099	2,421
REIT benefit	—	(12,271)	(22,395)
Change in valuation allowance	389	(1,775)	1,456
Federal tax credits	(1,414)	(2,015)	(2,118)
Foreign income taxes	3,802	1,373	1,934
Tax impact of vested equity compensation	3,621	3,628	185
Impact of REIT termination	70,813	—	—
Change in contingent tax liability	(4,339)	143	168
Other, net	1,445	2,214	(1,479)
<b>Total provision for income taxes</b>	<u>\$ 122,730</u>	<u>\$ 20,463</u>	<u>\$ 16,648</u>

The Company's effective tax rate differs from the U.S. statutory rate of 21% in 2021 primarily due to the non-cash tax expense related to the termination of the REIT status and differs in 2020 and 2019 primarily due to a zero tax rate on earnings generated by the Company's REIT operations. State income taxes, net of federal tax benefits of \$7.9 million, \$3.1 million and \$2.4 million for 2021, 2020 and 2019, respectively, is presented exclusive of the related change in valuation allowance of state income tax deferred items. Net of the related change in valuation allowances the state income taxes, net of federal tax benefits is \$8.4 million, \$2.1 million and \$4.1 million for 2021, 2020 and 2019, respectively.

The following table presents the breakdown between non-current net deferred tax assets as classified on the balance sheets as of December 31, 2021 and 2020:

	2021	2020
	(In thousands)	
Deferred tax assets - non-current	\$ —	\$ 36,604
Deferred tax liabilities - non-current	(80,768)	(30,726)
<b>Total net deferred tax assets</b>	<u>\$ (80,768)</u>	<u>\$ 5,878</u>

The significant components of the Company's deferred tax assets and liabilities consisted of the following as of December 31, 2021 and 2020:

	2021	2020
Deferred tax assets:		
	(In thousands)	
Net operating losses	\$ 18,022	\$ 25,260
Accrued liabilities	29,473	30,605
Deferred compensation	19,052	18,906
Accrued compensation	6,694	7,888
Deferred revenue	21,134	15,210
Tax credits	3,065	3,834
Equity awards	3,694	3,402
Depreciation	—	3,069
Operating lease liability	28,756	14,889
Other, net	1,212	777
Valuation allowance	(19,322)	(21,012)
Total deferred tax assets	\$ 111,780	\$ 102,828
Deferred tax liabilities:		
Depreciation	\$ (59,057)	\$ —
Intangible assets	(48,935)	(21,885)
Capitalized transaction costs	(15,229)	(16,165)
Accounting method change	(2,334)	(4,667)
Prepaid expenses and other	(39,739)	(39,925)
Lease right-of-use assets	(27,254)	(14,308)
Total deferred tax liabilities	\$ (192,548)	\$ (96,950)
Total net deferred tax assets (liabilities)	\$ (80,768)	\$ 5,878

Deferred income taxes should be reduced by a valuation allowance if it is not more likely than not that some portion or all of the deferred tax assets will be realized. On a periodic basis, management evaluates and determines the amount of the valuation allowance required and adjusts such valuation allowance accordingly. At year end 2021 and 2020, the Company has a valuation allowance of \$19.3 million and \$21.0 million, respectively related to deferred tax assets for foreign net operating losses, state net operating losses and state tax credits. The valuation allowance decreased by \$1.7 million during the year ended December 31, 2021.

The Company provides income taxes on the undistributed earnings of non-U.S. subsidiaries except to the extent that such earnings are permanently invested outside the United States. At December 31, 2021, \$10.3 million of accumulated undistributed earnings of non-U.S. subsidiaries were permanently invested outside the United States. At the existing U.S. federal income and applicable foreign withholding tax rates, additional taxes (net of foreign tax credits) of \$0.5 million, consisting solely of withholding taxes, would have to be provided if such earnings were remitted currently.

At December 31, 2021, the Company had \$2.6 million of Federal net operating loss carryforwards and \$204.3 million of combined net operating loss carryforwards in various states which will begin to expire in 2022. The Company has recorded a partial valuation allowance against the deferred tax assets related to the state operating losses.

Also, as of the year ended December 31, 2021, the Company had \$16.0 million of foreign operating losses which carry forward indefinitely and \$2.9 million of state tax credits which will begin to expire in 2022. The Company has recorded a partial valuation allowance against the deferred tax assets related to the foreign operating losses and state tax credits.

The Company recognizes the cost of employee services received in exchange for awards of equity instruments based upon the grant date fair value of those awards. The exercise of non-qualified stock options and vesting of restricted stock awards which have been granted under the Company's equity award plans give rise to compensation income which is includable in the taxable income of the applicable employees and the majority of which is deductible by the Company for federal and state income tax purposes. In the case of non-qualified stock options, the compensation income results from increases in the fair market value of the Company's common stock subsequent to the date of grant. At December 31, 2021, the deferred tax asset net of a valuation allowance related to unexercised stock options and restricted stock grants for which the Company has recorded a book expense was \$3.7 million.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2021	2020	2019
	(In thousands)		
Balance at Beginning of Period	\$ 5,623	\$ 5,469	\$ 4,584
Additions based on tax positions related to the current year	133	44	—
Additions for tax positions of prior years	57	166	994
Reductions as a result of a lapse of applicable statutes of limitations	(4,708)	(56)	(109)
Balance at End of Period	<u>\$ 1,105</u>	<u>\$ 5,623</u>	<u>\$ 5,469</u>

All amounts in the reconciliation are reported on a gross basis and do not reflect a federal tax benefit on state income taxes. The Company has accrued \$1.0 million of accrued uncertain tax benefits as of December 31, 2021 which is inclusive of the federal tax benefit on state income taxes. The Company believes that it is reasonably possible that a decrease may be necessary in the unrecognized tax benefits within twelve months of the reporting date of approximately \$0.2 million, related to state tax exposures, due to a lapse of the statute of limitation. The accrued uncertain tax balance at December 31, 2021 includes \$1.0 million of unrecognized tax benefits which, if ultimately recognized, will reduce the Company's annual effective tax rate.

The Company is subject to income taxes in the U.S. federal jurisdiction, and various states and foreign jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for the years before 2017.

The calculation of the Company's provision (benefit) for income taxes requires the use of significant judgment and involves dealing with uncertainties in the application of complex tax laws and regulations. In determining the adequacy of the Company's provision (benefit) for income taxes, potential settlement outcomes resulting from income tax examinations are regularly assessed. As such, the final outcome of tax examinations, including the total amount payable or the timing of any such payments upon resolution of these issues, cannot be estimated with certainty.

During the years ended December 31, 2021 and 2020, the Company did not recognize any interest and penalties. The Company classifies interest and penalties as interest expense and other expense, respectively.

## 17. Commitments, Contingencies and Other Matters

### CEO Succession Plan

On June 1, 2021, the Company announced that its Board has determined that it was in the best interests of the Company to implement a succession plan for the Chief Executive Officer position given that the Company's Founder, Chairman and Chief Executive Officer, George C. Zoley, was 71 years old and has served with the Company for approximately forty years. The primary objectives of the Board in initiating a succession plan were to secure Mr. Zoley's services on a long-term basis to ensure a proper senior management transition, and to retain a new Chief Executive Officer that would succeed Mr. Zoley in that role. This change will allow Mr. Zoley the ability to focus on planning of the Company's future.

On May 27, 2021, the Board terminated without cause Mr. Zoley's existing employment agreement, effective as of June 30, 2021, and entered into a new five-year employment agreement with Mr. Zoley as Executive Chairman, in a modified role and at reduced compensation effective July 1, 2021. The new employment agreement with Mr. Zoley will secure Mr. Zoley's continuous employment, enabling the Company to continue to benefit from Mr. Zoley's extensive knowledge and experience, and providing for an orderly transition of senior management.

In connection with Mr. Zoley's termination, the Company and Mr. Zoley entered into a Separation and General Release Agreement as of May 27, 2021 (the "Separation Agreement"). Pursuant to the terms of the Separation Agreement, Mr. Zoley continued to serve as Chief Executive Officer of the Company through June 30, 2021 (the "Separation Date") and received all accrued wages through the Separation Date. Additionally, pursuant to the terms of Mr. Zoley's prior employment agreement, Mr. Zoley received payments in the amount of \$5,851,555, less any applicable taxes and withholdings, which represents the sum of two (2) years of Mr. Zoley's base annualized salary and two (2) times Mr. Zoley's target bonus at the time under GEO's Senior Management Performance Award Plan. Mr. Zoley's restricted stock subject to performance-based vesting at the Separation Date shall vest at such time as the performance goals are met if Mr. Zoley is still providing

services to GEO under the Executive Chairman Agreement described below. Mr. Zoley also received \$579,600 for all accrued dividends on his unvested shares of restricted stock. Lastly, Mr. Zoley is entitled to receive certain fringe benefits for a ten (10) year period as set forth in the Separation Agreement, including payment of health insurance premiums under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”) for eighteen (18) months and reimbursement of the cost of health insurance coverage for eight and a half (8½) years following the first eighteen (18) months, life insurance, the use of an executive automobile, and personal use of the Company leased aircraft for thirty (30) hours per year. In the event of Mr. Zoley’s death within such ten (10) year period, the Company will continue to provide the fringe benefits to Mr. Zoley’s covered dependents, and, if applicable to Mr. Zoley’s estate.

In order to transition the role of Chief Executive Officer to a successor in an orderly manner, the Board determined it was in the best interests of GEO to create a new officer position for the role of Executive Chairman and appoint Mr. Zoley as Executive Chairman, effective as of July 1, 2021. As a result, the Company and Mr. Zoley on May 27, 2021 entered into an Executive Chairman Employment Agreement effective as of July 1, 2021 (the “Executive Chairman Agreement”). Pursuant to the terms of the Executive Chairman Agreement, Mr. Zoley will serve as Executive Chairman assisting the new Chief Executive Officer in his transition, among other duties and responsibilities, and report directly to the Board of Directors for a term of five years ending on June 30, 2026 and subject to automatic renewals for one-year periods unless either the Company or Mr. Zoley gives written notice at least 1 year prior to the expiration of the term. Under the terms of the Executive Chairman Agreement, Mr. Zoley will be paid an annual base salary of \$1.0 million and will be eligible to receive target annual performance awards equal to 100% of base salary in accordance with the terms of any plan governing senior management performance awards. Mr. Zoley will also be entitled to receive an annual equity incentive award with a grant date fair value equal to 100% of base salary and subject to a time-based vesting schedule of one (1) year from the date of grant. Additionally, the Company will credit Mr. Zoley’s account balance under the Amended and Restated Executive Retirement Agreement on an annual basis in an amount equal to 100% of his base salary. Lastly, Mr. Zoley is entitled to participate in all benefits and perquisites available to executive officers of GEO.

The Executive Chairman Agreement provides that upon the termination of the Executive Chairman Agreement by the Company without cause, by Mr. Zoley for good reason or upon Mr. Zoley’s death or disability, Mr. Zoley will be entitled to receive a termination payment equal to two times the sum of his annual base salary and the target bonus. In addition, the unvested portion of any equity award will fully vest and the Company will provide Mr. Zoley and any of his covered dependents and heirs with the executive benefits beginning on the date that they are no longer entitled to the fringe benefits (i.e. health insurance coverage, use of an executive automobile, etc.) under the Separation Agreement until the ten (10) year anniversary of the date of termination of the Executive Chairman Agreement.

Upon the termination of the Executive Chairman Agreement by GEO for cause or by Mr. Zoley without good reason, Mr. Zoley will be entitled to only the amount of compensation that is due through the effective date of the termination, including the retirement benefit due to him under his executive retirement agreement. The Executive Chairman Agreement contains restrictive covenants, including a non-competition covenant that runs through the three (3) year period following the termination of the executive’s employment, and customary confidentiality and work product provisions.

#### ***Appointment of Jose Gordo as Successor Chief Executive Officer***

In connection with his appointment, Mr. Gordo and the Company entered into an Executive Employment Agreement (the “Employment Agreement”) on May 27, 2021 to provide that Mr. Gordo will be employed by the Company for a three-year term beginning July 1, 2021. Unless the Employment Agreement is sooner terminated, or not renewed, it will automatically extend upon the end of its initial term for a rolling three-year term. Pursuant to the terms of the Employment Agreement, Mr. Gordo will serve as Chief Executive Officer and report directly to the Executive Chairman. Either Mr. Gordo or the Company may terminate Mr. Gordo’s employment under the Employment Agreement for any reason upon not less than thirty (30) days written notice.

Under the terms of the Employment Agreement, Mr. Gordo will be paid an annual base salary of \$900,000, subject to the review and potential increase within the sole discretion of the Compensation Committee. Mr. Gordo will also be entitled to receive a target annual performance award of 85% of Mr. Gordo’s base salary and will also be entitled to participate in the Company’s stock incentive plan and upon the effective date, the Company granted Mr. Gordo an award of 50,000 performance-shares that will vest ratably over a three-year period.

The Employment Agreement provides that upon the termination of the agreement by Mr. Gordo for good reason, by the Company without cause or upon the death or disability of Mr. Gordo, he will be entitled to receive a termination payment equal to two (2) times the sum of his annual base salary plus target bonus for the fiscal year in which his employment is terminated or, if greater, the target bonus for the fiscal year immediately prior to such termination. The Company will also continue to provide Mr. Gordo and any covered dependents with the Executive Benefits as defined in the Employment Agreement for a period of five (5) years after the date of termination. In the event of Mr. Gordo’s death within such five (5) year period, the Company will continue to provide the Executive Benefits to Mr. Gordo’s covered dependents, and, if applicable to Mr. Gordo’s estate. In addition, the Employment Agreement provides that upon such termination, GEO will transfer all of its interest in any automobile used by the executive pursuant to its employee automobile policy and pay the balance of any outstanding loans or leases on such automobile so that the executive owns the automobile outright. In the event such automobile is leased, the Employment Agreement provides that GEO will pay the residual cost of the lease. In the event the Company does not pay the termination payment by the due date, then any unpaid amount shall bear interest at the rate of eighteen percent (18%) per annum, compounded monthly,

until paid. Lastly, all of the outstanding and unvested stock options and restricted stock granted to Mr. Gordo prior to termination will fully vest immediately upon termination; provided, however that any restricted stock that is subject to performance-based vesting shall only vest when and to the extent the Compensation Committee certifies that the performance goals are actually met.

Upon the termination of the Employment Agreement by GEO for cause or by Mr. Gordo without good reason, Mr. Gordo will be entitled to only the amount of compensation that is due through the effective date of the termination. The Employment Agreement includes a non-competition covenant that runs through the three-year period following the termination of the executive's employment, and customary confidentiality and work product provisions.

#### ***Amended and Restated Executive Retirement Agreement***

The Company and Mr. Zoley entered into on May 27, 2021, and effective as of July 1, 2021, an Amended and Restated Executive Retirement Agreement (the "Amended and Restated Executive Retirement Agreement"). Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that Mr. Zoley ceases to provide services to the Company, the Company will pay to Mr. Zoley an amount equal to \$3,600,000 which shall be paid in cash (the "Grandfathered Payment"). The payment shall be credited with interest at a rate of 5% compounded quarterly (the "Grandfathered Earnings Account"). Additionally, at the end of each calendar year provided that Mr. Zoley is still providing services to the Company pursuant to the Executive Chairman Agreement, the Company will credit an amount equal to \$1,000,000 at the end of each calendar year (the "Employment Contributions Account"). The Employment Contributions Account will be credited with interest at the rate of 5% compounded quarterly. Upon the date that Mr. Zoley ceases to provide services to the Company, the Company will pay Mr. Zoley in one lump sum cash payment each of the Grandfathered Payment, the Grandfathered Earnings Account and the Employment Contributions Account subject to the six-month delay provided in the Amended and Restated Executive Retirement Agreement.

#### ***Collective Bargaining Agreements***

The Company had approximately 42% of its workforce covered by collective bargaining agreements at December 31, 2021. Collective bargaining agreements with 14% of employees are set to expire in less than one year.

#### ***Contract Developments***

On November 1, 2021, we transitioned the operation of our company-owned 600-bed Guadalupe County Correctional Facility to the New Mexico Corrections Department and began a new lease agreement with the State of New Mexico, with a two-year base period and successive two-year renewals through October 2041.

In August 2021 and October 2021, we entered into 5-year contract renewals for our company-owned Broward Transitional Center and our company-owned Aurora ICE Processing Center, respectively.

Effective October 1, 2021, we entered into a six-month contract extension with the USMS for the 770-bed Western Region Detention Facility in California. The contract with the USMS was operating under a two-year option period which was scheduled to end on September 30, 2021.

On September 30, 2021, we announced that we entered into a new five-year contract with Clearfield County, Pennsylvania to utilize our company-owned 1876-bed Moshannon Valley Facility in Decatur Township, Pennsylvania. Clearfield County is responsible for detainees under a five-year contract with ICE and expects to use the Moshannon Valley Facility to address its capacity needs.

In Delaware County, Pennsylvania, we received notice that the County intends to take over management of the managed-only George W. Hill Correctional Facility effective April 2022.

On August 18, 2021, we were notified by the BOP that it has decided to not exercise the contract renewal option for our company-owned, 1,732-bed Big Springs and the company-owned 1,800-bed Flightline Correctional Facilities in Texas, when the contract base periods expire on November 30, 2022.

On March 5, 2021, we were notified by the BOP that it decided to not exercise the contract renewal option for the company-owned, 1,940-bed Great Plains Correctional Facility in Oklahoma, when the contract base period expired on May 31, 2021.

On March 15, 2021, we announced that the USMS decided to not exercise the contract renewal option for our company-owned, 222-bed Queens Detention Facility in New York, when the contract base period ended on March 31, 2021.

On March 25, 2021, we were notified by the BOP that it decided to terminate the contract for the county-owned and managed, 1,800-bed Reeves County Detention Center I & II in Texas effective May 10, 2021, which was earlier than the contract base period was scheduled to expire on September 30, 2022.

We were also not awarded the managed-only contracts for the Bay, Graceville and Moore Haven Correctional and Rehabilitation Facilities in Florida during the recent re-bid solicitation process by the State of Florida. We subsequently filed a protest challenging the award of the contracts, and as a result of the protest, we were able to retain the management contract for the Moore Haven Correctional and Rehabilitation Facility. Our contracts for the Bay and Graceville Correctional and Rehabilitation Facilities have been transitioned to a different operator.

### ***Commitments***

As of December 31, 2021, the Company had contractually required commitments for a number of projects using existing Company financing facilities. The Company's management estimates that these existing contractually required capital projects will cost approximately \$20.9 million, of which \$8.3 million was spent through 2021. The Company estimates the remaining capital requirements related to these contractually required capital projects to be approximately \$12.6 million. These projects are expected to be completed through 2022.

In addition to these current estimated capital requirements, the Company is currently in the process of bidding on, or evaluating potential bids for the design, construction and management of a number of new projects. In the event that the Company wins bids for these projects and decides to self-finance their construction, its capital requirements could materially increase.

### ***Litigation, Claims and Assessments***

On July 7, 2020, a purported shareholder class action lawsuit was filed against the Company, its then Chief Executive Officer, George C. Zoley ("Mr. Zoley"), and its Chief Financial Officer, Brian R. Evans ("Mr. Evans"), in the U.S. District Court for the Southern District of Florida. On October 1, 2020, the court entered an unopposed order appointing lead plaintiffs, approving the selection of counsel, dismissing the initial complaint, and setting a deadline for the filing of an amended complaint. On November 18, 2020, the lead plaintiffs filed a consolidated class action amended complaint. The amended complaint alleged that the Company and Messrs. Zoley and Evans—as well as J. David Donahue ("Mr. Donahue"), the Company's former Senior Vice President and President of the U.S. Secure Services division, and Ann M. Schlarb ("Ms. Schlarb"), the Company's Senior Vice President and President of the GEO Care division—made materially false and misleading statements and/or omissions related to GEO's business—including quality of operations, corporate social responsibility, competitive strengths, pending litigation, business strategies, health and safety, sources of financing, dividend expectations, and COVID-19 procedures. The amended complaint was brought by lead plaintiffs James Michael DeLoach and Edward Oketola, individually and on behalf of a class consisting of all persons and entities—other than the defendants, the officers and directors of the Company, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which the defendants have or had a controlling interest—who purchased or otherwise acquired the Company's securities during the alleged class period from November 7, 2018 to August 5, 2020, inclusive. The amended complaint alleged that the defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10b-5 promulgated thereunder, and alleged that Messrs. Zoley, Evans, and Donahue and Ms. Schlarb violated Section 20(a) of the Exchange Act. On December 18, 2020, the defendants filed a motion to dismiss the amended complaint. On September 23, 2021, the court granted the motion to dismiss in part, and denied it in part. The court dismissed all claims against Messrs. Evans and Donahue, and Ms. Schlarb. The court also dismissed all claims against GEO and Mr. Zoley other than claims related to GEO's disclosures about pending litigation and directed plaintiffs to file an amended complaint in conformance with the court's order. On October 4, 2021, plaintiffs filed a consolidated class action second amended complaint. The second amended complaint alleges that GEO and Mr. Zoley violated Sections 10(b) and 20(a) of the Exchange Act by making materially false and misleading statements and/or omissions related to pending litigation, and seeks relief on behalf of a putative class consisting of all persons and entities—other than the defendants, the officers and directors of the Company, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which the defendants have or had a controlling interest—who purchased or otherwise acquired the Company's securities during the alleged class period from November 9, 2018 to August 5, 2020, inclusive. The second amended complaint seeks damages, interest, attorneys' fees, expert fees, other costs, and such other relief as the court may deem proper. On October 18, 2021, GEO and Mr. Zoley filed a motion to dismiss and/or to strike, arguing that the second amended complaint failed to comply with the court's prior dismissal order and contains allegations beyond the disclosures and time period permitted by the court. The motion to dismiss is fully briefed and remains pending.

On July 1, 2021, a putative shareholder derivative complaint was filed in Palm Beach County, Florida's Circuit Court against the Company, as well as its then Chief Executive Officer, Mr. Zoley, its Chief Financial Officer, Mr. Evans, Ms. Schlarb, its Senior Vice President and President of GEO Care, and Company directors Richard H. Glanton, Anne N. Foreman, Christopher C. Wheeler, Julie M. Wood, Guido van Hauwermeiren, Scott M. Kernan, Jose Gordo, and Duane Helkowski (collectively, "Defendants"). The complaint alleges breach of fiduciary duty and unjust enrichment claims against the individual Defendants relating to purported healthcare and quality of care deficiencies, an allegedly inadequate response to the COVID-19 pandemic, alleged forced labor by detainees, and alleged exposure to pending litigation, which purportedly led to damage to GEO. On September 28, 2021, Defendants filed a motion to stay, or alternatively motion to dismiss the



complaint. On January 7, 2022, the Court entered an Agreed Order on Stay, staying this action until the resolution of the motion to dismiss and/or to strike pending in the federal purported shareholder class action lawsuit described above.

On November 12, 2021, a putative shareholder derivative complaint was filed in the U.S. District Court for the Southern District of Florida against the Company, as well as its then Chief Executive Officer, Mr. Zoley, its Chief Financial Officer, Mr. Evans, Ms. Schlarb, its Senior Vice President and President of GEO Care, David Venturella, its Senior Vice President, J. David Donahue, its former Senior Vice President, President, GEO Secure Services, and Company directors Richard H. Glanton, Anne N. Foreman, Christopher C. Wheeler, Julie M. Wood, Guido van Hauwermeiren, Scott M. Kernan, Jose Gordo, and Duane Helkowski (collectively, “Defendants”). The complaint alleges that the individual Defendants violated Section 10(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 10b-5 promulgated thereunder. The complaint also alleges breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, and waste of corporate assets against the individual Defendants relating to purported healthcare and quality of care deficiencies, an allegedly inadequate response to the COVID-19 pandemic, alleged forced labor by detainees, and alleged exposure to pending litigation, which purportedly led to damage to GEO. On January 14, 2022, the parties filed a joint motion to stay the action. On January 18, 2022, the Court entered an Order Granting Joint Motion to Stay and Administratively Closing Case, staying this action pending the resolution of the federal purported shareholder class action lawsuit described above.

As previously reported and described in the Company's periodic reports, including most recently in its Form 10-Q for the quarter ended September 30, 2021, former civil immigration detainees at the Aurora ICE Processing Center filed a class action lawsuit on October 22, 2014, against the Company in the U.S. District Court for the District of Colorado. The complaint alleges that the Company was in violation of the Colorado Minimum Wages of Workers Act and the Federal Trafficking Victims Protection Act (“TVPA”). The plaintiff class claims that the Company was unjustly enriched because of the level of payment the detainees received for work performed at the facility, even though the voluntary work program as well as the wage rates and standards associated with the program that are at issue in the case are authorized by the Federal government under guidelines approved by the United States Congress. On July 6, 2015, the court found that detainees were not employees under the Colorado Minimum Wage Order and dismissed this claim. In February 2017, the court granted the plaintiff-class’ motion for class certification on the TVPA and unjust enrichment claims. The plaintiff class seeks actual damages, compensatory damages, exemplary damages, punitive damages, restitution, attorneys’ fees and costs, and such other relief as the court may deem proper. In the time since the Colorado suit was initially filed, three similar lawsuits have been filed - two in Washington and one in California. The first of the two Washington lawsuits was filed on September 9, 2017 by immigration detainees against the Company in the U.S. District Court for the Western District of Washington. The second lawsuit was filed on September 20, 2017 by the State Attorney General against the Company in the Superior Court of the State of Washington for Pierce County, which the Company removed to the U.S. District Court for the Western District of Washington on October 9, 2017. In California, a class-action lawsuit was filed on December 19, 2017 by immigration detainees against the Company in the U.S. District Court Eastern Division of the Central District of California. All three lawsuits allege violations of the respective state’s minimum wage laws. However, the California lawsuit, like the Colorado suit, also includes claims that the Company violated the TVPA and California's equivalent state statute. The California court certified a nationwide class which would allow the plaintiffs to primarily seek injunctive relief or policy changes at a number of facilities if they are successful on the merits of their claims. On August 9, 2021, the California court conducted a hearing on Defendant’s Motion for Summary Judgment and Motion to Decertify Class, as well as Plaintiffs’ Motion for Partial Summary Judgment. The Motion to Decertify Class was granted. The Plaintiffs’ and Defendant’s Motion for Summary Judgment are pending. On July 2, 2019, the Company filed a Motion for Summary Judgment in the Washington Attorney General’s Tacoma lawsuit based on the Company’s position that its legal defenses prevent the case from proceeding to trial. The federal court in Washington denied the Company's Motion for Summary Judgment on August 6, 2019. However, on August 20, 2019, the DOJ filed a Statement of Interest, which asked the Washington court to revisit its prior denial of the Company's intergovernmental immunity defense in the case. While the Washington court ultimately elected not to dismiss the case at the time, its order importantly declared that the Company's intergovernmental immunity defense was legally viable, to be ultimately determined at trial. After putting the lawsuits on “standby” for most of 2020 due to the COVID-19 pandemic, the trial court entered an order setting both suits for an estimated three-week trial beginning June 1, 2021. The court ordered a remote trial, but with the possibility of in-person proceedings. The order notes the Company’s exception to the remote trial setting. The Company filed a motion for reconsideration of the judge’s order setting a remote trial on April 8, 2021, requesting that the trial date be moved from June 1, 2021 to the earliest possible date after July 1, 2021, when the State of Washington plans to allow in-person trials to resume. On April 9, 2021, the Washington court denied the motion for reconsideration for an in-person trial, ruling that a “hybrid” trial, with some parts being conducted in-person with COVID-19 precautions, would begin on June 1, 2021. On June 1, 2021, the remote Zoom trial began. On June 17, 2021, the trial judge declared a mistrial when the jury was unable to reach a unanimous verdict. The in-person jury re-trial began on October 12, 2021. In October 2021, an unfavorable jury verdict and combined \$23.2 million judgments were entered against the Company in the retrial of two cases, State of Washington v. GEO Group and Nwauzor et. al. v. GEO Group (the “lawsuits”), in the U.S. District Court for the Western District of Washington. The trial court has waived the necessity to post a supersedeas bond for the combined judgments and has stayed enforcement of the verdict and judgments while GEO’s appeal to the U.S. Court of Appeals for the Ninth Circuit is pending.

GEO strongly disagrees with the verdict and judgments in the retrial of the lawsuits. GEO intends to raise several issues on appeal to the U.S. Court of Appeals for the Ninth Circuit, including the applicability of the state of Washington’s Minimum Wage Act to detainees who participate in the federally mandated Voluntary Work Program at the Northwest ICE Processing Center (the “Center”), and the affirmative defenses that GEO believes were wrongly dismissed in these cases. GEO looks forward to having those and other related issues heard on appeal based on GEO’s belief that the cases were wrongly decided. GEO intends to take all necessary steps to vigorously defend itself.

The lawsuits were filed by the State of Washington Attorney General and a private class of detainee plaintiffs. The plaintiffs claimed that Washington State minimum wage laws should be enforced with respect to detainees who volunteer to participate in a Voluntary Work Program administered by GEO at the Center as required by the U.S. Department of Homeland Security under the terms of GEO's contract. The Center houses persons in the custody of federal immigration authorities while their immigration status is being determined by the federal government.

In a similar lawsuit involving a Voluntary Work Program administered by CoreCivic at an ICE Processing Center in New Mexico, Ndambi et al. v. CoreCivic, the U.S. Court of Appeals for the Fourth Circuit ruled in favor of CoreCivic in March 2021. In a unanimous decision in that case, the U.S. Court of Appeals for the Fourth Circuit affirmed a U.S. District Court ruling which dismissed the case and found that detainees who volunteer to participate in the Voluntary Work Program in immigration processing centers are not employees and are not owed wages under the Fair Labor Standards Act and New Mexico's minimum wage law.

On December 30, 2019, the Company filed a lawsuit for declaratory and injunctive relief challenging California's newly enacted law - Assembly Bill 32 (AB-32) - which bars the federal government from engaging the Company or any other government contractors to provide detention services for illegal immigrants. The Company's claims, as described in the lawsuit, are grounded in authoritative legal doctrine that under the Constitution's Supremacy Clause, the federal government is free from regulation by any state. By prohibiting federal detention facilities in California, the suit argues AB-32 substantially interferes with the ability of USMS and ICE to carry out detention responsibilities for the federal government. Secondly, because AB-32 creates exceptions to the State of California when using the Company or any government contractors (to alleviate overcrowding), California's statute unlawfully discriminates against the federal government. On December 31, 2019, GEO filed its motion for a preliminary injunction restraining California's Governor and Attorney General from enforcing AB-32 against the Company's detention facilities on behalf of USMS and ICE. On January 24, 2020, the United States filed a lawsuit challenging AB-32. The court heard motions for preliminary injunction from the Company and the United States on July 16, 2020. The court ordered the parties to submit supplemental briefing and indicated it would render an opinion sometime after the filing deadline of August 18, 2020. On July 20, 2020 the court consolidated both lawsuits. On October 8, 2020, the court issued an order granting, in part, and denying in part, the Company and the United States' motions and California's motion to dismiss. Among other findings, the court (1) dismissed the Company's intergovernmental immunity claims as well as the United States' preemption claims as applied to ICE facilities; (2) found that the Company and the United States were likely to succeed on the preemption claims as applied to U.S. Marshals' facilities and enjoined enforcing AB-32 against those facilities; and (3) refused to enjoin California from enforcing AB-32 against ICE contracts with the Company and the United States. The Company and the United States appealed to the Ninth Circuit Court of Appeals. Oral argument was held on June 7, 2021. On October 5, 2021, the Ninth Circuit Court of Appeals reversed the lower court's decision, holding that AB-32 conflicted with federal law and could not stand.

On April 29, 2021, the Company filed a lawsuit for declaratory and injunctive relief challenging the State of Washington's newly enacted law – House Bill 1090 (EHB 1090) – that purports to prohibit the United States from using detention facilities operated by private contractors to house detainees in the custody of U.S. Immigration and Customs Enforcement (ICE).

The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. However, the results of these claims or proceedings cannot be predicted with certainty, and an unfavorable resolution of one or more of these claims or proceedings could have a material adverse effect on the Company's financial condition, results of operations or cash flows. The Company's accruals for loss contingencies are reviewed quarterly and adjusted as additional information becomes available. The Company does not accrue for anticipated legal fees and costs but expenses those items as incurred.

The nature of the Company's business also exposes it to various other third-party legal claims or litigation against the Company, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals in its care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, indemnification claims by its customers and other third parties, contractual claims and claims for personal injury or other damages resulting from contact with the Company's facilities, programs, electronic monitoring products, personnel or detainees, including damages arising from the escape of an individual in its care or from a disturbance or riot at a facility.

#### ***Other Assessment***

A state non-income tax audit completed in 2016 included tax periods for which the state tax authority had a number of years ago processed a substantial tax refund. At the completion of the audit fieldwork, the Company received a notice of audit findings disallowing deductions that were previously claimed by the Company, approved by the state tax authority and served as the basis for the approved refund claim. In early January 2017, the Company received a formal Notice of Assessment of Taxes and Demand for Payment from the taxing authority disallowing the deductions. The total tax, penalty and interest assessed is approximately \$19.8 million. The Company is appealing an administrative ruling and disagrees with the assessment and intends to take all necessary steps to vigorously defend its position. The Company has established a reserve based on its estimate of the most probable loss based on the facts and circumstances known to date and the advice of outside counsel in connection with this matter.

### ***Ransomware Attack***

On November 3, 2020, the Company began the process of notifying current and former employees and will provide additional notifications as required by applicable state and federal law regarding a ransomware attack that impacted a portion of GEO's information technology systems and a limited amount of data that contained personally identifiable information and protected health information. GEO promptly launched an investigation, engaged legal counsel and other incident response professionals, and notified its customers and law enforcement in response to the incident. GEO implemented a number of containment and remediation measures to address the incident, restore its systems and reinforce the security of its networks and information technology systems. The Company recovered its critical operating data and the incident has not had a significant impact on the Company's business operations or its ability to perform the services required under GEO's contracts with its government customers or the individuals entrusted to GEO's facilities and programs. At this time, the Company is not aware of any fraud or misuse of information as a result of the incident. Additionally, the Company's financial reporting controls and procedures were not impacted and as a result, the incident did not affect the Company's ability to report accurate financial information in a timely manner. Based on the information currently known and obtained through the investigation of the incident, the Company does not believe the incident will have a material impact on its business, operations or financial results. The Company carries insurance, including cyber insurance, commensurate with its size and the nature of its operations.

### ***Asset Divestiture***

On July 1, 2021, the Company completed a divestiture of its youth division, which was organized as a separate independent not-for-profit 501(c)(3) organization ("Abraxas"). The divestiture included the sale of certain non-real estate assets in the Company's Youth division for total consideration of \$10 million which was in the form of an unsecured term note receivable ("Term Note"). The Term Note was to mature July 1, 2026 and bore annual interest at 5%. Principal payments of \$250,000 were to be due annually each year starting July 1, 2022. After June 30, 2023, an additional payment would have been due equal to 50% of the excess cash flow (as defined in the Term Note) in excess of \$1,000,000. The remaining balance was due on the maturity date. Additionally, the Company had provided a \$4 million working capital line of credit ("Grid Note") which was to mature on December 31, 2022 and bore daily interest at prime minus 1%. Each loan under the Grid Note was payable upon the earlier of (i) on demand, (ii) thirty days from the funding date, or (iii) the maturity date. There were no amounts drawn on the Grid Note during 2021. The sale resulted in the assignment of the Company's youth services management contracts to Abraxas. The Company retained the ownership of the youth services real estate assets and have entered into lease agreements with Abraxas for the six company-owned youth facilities. As a result of the transaction, the Company recorded a loss on asset divestiture of approximately \$4.5 million during the year ended December 31, 2021 inclusive of a working capital adjustment. On October 15, 2021, GEO signed a letter agreement with Abraxas and another unrelated not-for-profit entity for the settlement of the Term Note and termination of the Grid Note. In accordance with the letter agreement, Abraxas became affiliated with the other unrelated not-for-profit entity and paid GEO \$8 million in full settlement of the Term Note on December 31, 2021.

### ***CARES Act***

On March 27, 2020, the CARES Act was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, allows employers to defer the deposit and payment of the employer's share of Social Security taxes. The deferral applied to deposits and payments of the employer's share of Social Security tax that would otherwise be required to be made during the period beginning on March 27, 2020 and ending on December 31, 2020. The deferred amounts are due to be paid in two equal installments on December 31, 2021 and December 31, 2022. The Company paid the first installment in September 2021. The balance of the deferred payroll taxes is approximately \$20 million as of December 31, 2021 which is included in Accrued Payroll and Related Taxes in the accompanying consolidated balance sheets.

## **18. Subsequent Events**

### ***Options and Restricted Stock Awards***

On February 15, 2022, the Compensation Committee of the Board resolved to grant approximately 347,000 options and 1,509,000 shares of restricted stock to certain employees and directors of the Company effective March 1, 2022. Of the total shares of restricted stock granted, 975,000 are performance-based awards which vest subject to the achievement of certain total shareholder return and return on capital employed metrics over a three-year period.

**Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

**Item 9A. *Controls and Procedures***

**Disclosure Controls and Procedures**

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, referred to as the Exchange Act), as of the end of the period covered by this report. On the basis of this review, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that as of the end of the period covered by this report, our disclosure controls and procedures were effective to give reasonable assurance that the information required to be disclosed in our reports filed with the Securities and Exchange Commission, or the SEC, under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to ensure that the information required to be disclosed in the reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

It should be noted that the effectiveness of our system of disclosure controls and procedures is subject to certain limitations inherent in any system of disclosure controls and procedures, including the exercise of judgment in designing, implementing and evaluating the controls and procedures, the assumptions used in identifying the likelihood of future events, and the inability to eliminate misconduct completely. Accordingly, there can be no assurance that our disclosure controls and procedures will detect all errors or fraud. As a result, by its nature, our system of disclosure controls and procedures can provide only reasonable assurance regarding management's control objectives.

**Internal Control Over Financial Reporting**

***(a) Management's Annual Report on Internal Control Over Financial Reporting***

See "Item 8. — Financial Statements and Supplementary Data — Management's Annual Report on Internal Control Over Financial Reporting" for management's report on the effectiveness of our internal control over financial reporting as of December 31, 2021.

***(b) Attestation Report of the Registered Public Accounting Firm***

See "Item 8. — Financial Statements and Supplementary Data — Report of Independent Registered Public Accounting Firm" for the report of our independent registered public accounting firm on the effectiveness of our internal control over financial reporting as of December 31, 2021.

***(c) Changes in Internal Control over Financial Reporting***

Our management is responsible for reporting any changes in our internal control over financial reporting (as such terms are defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management believes that there have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. *Other Information***

Not applicable.

**Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections***

Not applicable.

## PART III

### **ITEM 10. *Directors, Executive Officers and Corporate Governance***

We have adopted a code of business conduct and ethics applicable to all of our directors, officers, employees, agents and representatives, including our consultants. The code strives to deter wrongdoing and promote honest and ethical conduct, the avoidance of conflicts of interest, full, fair, accurate, timely and transparent disclosure, compliance with the applicable government and self-regulatory organization laws, rules and regulations, prompt internal reporting of violations of the code, and accountability for compliance with the code. In addition, we have adopted a code of ethics for the CEO, our senior financial officers and all other employees. The codes can be found on our website at <http://www.geogroup.com> by clicking on the link "About Us" on our homepage and then clicking on the link "Corporate Governance." In addition, the codes are available in print to any shareholder who request them by contacting our Vice President of Corporate Relations at 561-999-7306. In the event that we amend or waive any of the provisions of the code of business conduct and ethics and the code of ethics for the CEO, our senior financial officers and employees that relate to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, we intend to disclose the same on our Investor Relations website. The other information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2022 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the year covered by this report.

### **ITEM 11. *Executive Compensation***

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2022 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

### **ITEM 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2022 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

### **ITEM 13. *Certain Relationships and Related Transactions, and Director Independence***

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2022 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

### **ITEM 14. *Principal Accounting Fees and Services***

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2022 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

**PART IV**

**Item 15. Exhibits, Financial Statement Schedules**

(a)(1) *Financial Statements.*

The consolidated financial statements of GEO are filed under Item 8 of Part II of this report.

(2) *Financial Statement Schedules.*

Schedule II — Valuation and Qualifying Accounts — Page 148

All other schedules specified in the accounting regulations of the Securities and Exchange Commission have been omitted because they are either inapplicable or not required.

(3) *Exhibits Required by Item 601 of Regulation S-K. The following exhibits are filed as part of this Annual Report:*

<b>Exhibit Number</b>	<b>Description</b>
3.1	Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on June 30, 2014). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex31.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex31.htm</a>
3.2	Articles of Merger, effective as of June 27, 2014 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed on June 30, 2014). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex32.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex32.htm</a>
3.3	Articles of Amendment to the Amended and Restated Articles of Incorporation of The GEO Group, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on April 26, 2017). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312517137344/d384798dex31.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312517137344/d384798dex31.htm</a>
3.4	Third Amended and Restated Bylaws of The GEO Group, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on June 21, 2021). <a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521195250/d192125dex31.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521195250/d192125dex31.htm</a>
3.5	Amendment to Third Amended and Restated Bylaws, effective January 21, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 27, 2022). <a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312522019826/d305099dex31.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312522019826/d305099dex31.htm</a>
3.6	Amendment to Third Amended and Restated Bylaws, effective February 14, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on February 18, 2022). <a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312522045923/d106900dex31.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312522045923/d106900dex31.htm</a>
4.1	Indenture, dated as of March 19, 2013, by and among the Company, the Guarantors party thereto, and Wells Fargo Bank, National Association as Trustee relating to the 5.125% Senior Notes due 2023 (incorporated by reference to Exhibit 4.1 to the Company's Current report on Form 8-K, filed on March 25, 2013). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312513124536/d509256dex41.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312513124536/d509256dex41.htm</a>
4.2	Form of 5.125% Senior Note due 2023 (included in Exhibit 4.1). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312513124536/d509256dex41.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312513124536/d509256dex41.htm</a>
4.3	Supplemental Indenture dated as of June 27, 2014, to Indenture dated as of March 19, 2013, with respect to the Predecessor Registrant's 5.125% Senior Notes, between the Company and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K, filed on June 30, 2014). <a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex44.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex44.htm</a>



4.4	Indenture, dated as of September 25, 2014, by and between GEO and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on October 1, 2014).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex41.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex41.htm</a>
4.5	First Supplemental Indenture, dated as of September 25, 2014, by and among GEO, certain subsidiary guarantors and Wells Fargo Bank, National Association, as Trustee with respect to the 5.875% Senior Notes due 2024 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed on October 1, 2014).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex42.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex42.htm</a>
4.6	Form of 5.875% Senior Note due 2024 (included in Exhibit 4.5).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex42.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312514360857/d795633dex42.htm</a>
4.7	Second Supplemental Indenture, dated as of April 18, 2016, by and among The GEO Group, Inc., the subsidiary guarantors named therein and Wells Fargo Bank, National Association, as Trustee with respect to the 6.00% Senior Notes due 2026 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on April 18, 2016).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312516545008/d172173dex41.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312516545008/d172173dex41.htm</a>
4.8	Form of 6.00% Senior Notes due 2026 (included in Exhibit 4.7).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312516545008/d172173dex41.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312516545008/d172173dex41.htm</a>
4.9	Indenture, dated as of February 24, 2021, by and among GEO Corrections Holdings, Inc., as issuer, The GEO Group, Inc. and the other guarantors named therein, as guarantors, and the Trustee (portions of this exhibit have been omitted) (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on March 2, 2021).	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521065641/d85561dex41.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521065641/d85561dex41.htm</a>
4.10	Form of 6.5% Exchangeable Senior Notes due 2026 (included in Exhibit 4.9).	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521065641/d85561dex41.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521065641/d85561dex41.htm</a>
4.11	Description of Registrant's Securities (incorporated by reference to Exhibit 4.14 to the Company's Annual Report on Form 10-K, filed on February 26, 2020)	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312520049748/d841729dex414.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312520049748/d841729dex414.htm</a>
4.12	Form of Indenture for Senior Debt Securities (incorporated by reference to Exhibit 4.1 to the Company's registration statement on Form S-3ASR, filed on October 30, 2020).	<a href="https://www.sec.gov/Archives/edgar/data/914670/000119312520282734/d12605dex41.htm">https://www.sec.gov/Archives/edgar/data/914670/000119312520282734/d12605dex41.htm</a>
4.13	Form of Indenture for Subordinated Debt Securities (incorporated by reference to Exhibit 4.2 to the Company's registration statement on Form S-3ASR, filed on October 30, 2020).	<a href="https://www.sec.gov/Archives/edgar/data/914670/000119312520282734/d12605dex42.htm">https://www.sec.gov/Archives/edgar/data/914670/000119312520282734/d12605dex42.htm</a>
10.1	Form of Indemnification Agreement between the Company and its Officers and Directors (incorporated herein by reference to Exhibit 10.3 to the Company's registration statement on Form S-1, filed on May 24, 1994) (P)	
10.2	The GEO Group, Inc. Senior Management Performance Award Plan, as Amended and Restated (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K, filed on February 26, 2019) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312519050054/d663410dex103.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312519050054/d663410dex103.htm</a>
10.3	Amended and Restated The GEO Group, Inc. Senior Officer Retirement Plan, effective December 31, 2008 (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K January 7, 2009) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000095014409000110/g17230exv10w8.htm">https://www.sec.gov/Archives/edgar/data/923796/000095014409000110/g17230exv10w8.htm</a>





10.4	Senior Officer Employment Agreement, dated August 3, 2009, by and between the Company and Brian Evans (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed on August 3, 2009) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000095012309028997/g19984exv10w1.htm">https://www.sec.gov/Archives/edgar/data/923796/000095012309028997/g19984exv10w1.htm</a>
10.5	Senior Officer Employment Agreement, dated February 1, 2016, by and between the Company and J. David Donahue (incorporated herein by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K, filed on February 25, 2019) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312519050054/d663410dex107.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312519050054/d663410dex107.htm</a>
10.6	First Amendment to Senior Officer Employment Agreement, effective March 1, 2011, by and between the Company and Brian R. Evans (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K, filed on March 2, 2011) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000095012311020922/g25405exv10w28.htm">https://www.sec.gov/Archives/edgar/data/923796/000095012311020922/g25405exv10w28.htm</a>
10.7	Amended and Restated The GEO Group, Inc. Executive Retirement Plan (effective January 1, 2008) (incorporated by reference to Exhibit 10.36 to the Company's Quarterly Report on Form 10-K, filed on March 1, 2012) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1036.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1036.htm</a>
10.8	Amendment to The GEO Group, Inc. Executive Retirement Plan (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1037.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1037.htm</a>
10.9	The GEO Group, Inc. Deferred Compensation Plan (as amended and restated effective January 1, 2008) (incorporated by reference to Exhibit 10.38 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1038.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1038.htm</a>
10.10	Amendment to The GEO Group, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312512090269/d259590dex1039.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312512090269/d259590dex1039.htm</a>
10.11	Amendment to The GEO Group, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.40 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1040.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1040.htm</a>
10.12	Letter of Offer, dated August 18, 2016, between The GEO Group, Inc. and HSBC Bank Australia Limited (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on August 24, 2016).	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312516690048/d247455dex101.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312516690048/d247455dex101.htm</a>
10.13	Third Amended and Restated Credit Agreement, dated as of March 23, 2017, among The GEO Group, Inc., GEO Corrections Holdings, Inc., as the Borrowers, the Australian Borrowers party thereto, the Lenders party thereto and BNP Paribas, as administrative agent. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on March 29, 2017. Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.)	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312517101954/d316743dex101.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312517101954/d316743dex101.htm</a>
10.14	Amendment No. 1 to the Third Amended and Restated Credit Agreement, dated as of April 30, 2018, by and among The GEO Group, Inc., GEO	

Corrections Holdings, Inc., BNP Paribas, as administrative agent for the lenders, the refinancing lenders party thereto and each other lender party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 4, 2018).

<https://www.sec.gov/Archives/edgar/data/923796/000119312518152758/d564439dex101.htm>

10.15	Senior Officer Employment Agreement, dated July 21, 2014, by and between the Company and Ann Schlarb (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed on May 6, 2019) †	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312519138425/d651801dex101.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312519138425/d651801dex101.htm</a>
10.16	Senior Officer Employment Agreement dated January 1, 2014 by and between the Company and David Venturella (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on May 6, 2020) †.	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000156459020021968/geo-10q_20200331.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000156459020021968/geo-10q_20200331.htm</a>
10.17	Amendment No. 2 to Third Amended and Restated Credit Agreement, dated June 12, 2019, by and among The GEO Group, Inc. and GEO Corrections Holdings, Inc., as the Borrowers, GEO Australasia Holdings PTY LTD, GEO Australasia Finance Holdings PTY LTD, as trustee of the GEO Australasia Finance Holding Trust, BNP Paribas, as administrative agent, and the lenders party thereto (portions of this exhibit have been omitted) (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed on August 2, 2019)	<a href="https://www.sec.gov/Archives/edgar/data/923796/000119312519212102/d759337dex101.htm">https://www.sec.gov/Archives/edgar/data/923796/000119312519212102/d759337dex101.htm</a>
10.18	Confidential Separation and General Release Agreement, entered into between Blake Davis and The GEO Group, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on April 21, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521124974/d79491dex101.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521124974/d79491dex101.htm</a>
10.19	The GEO Group, Inc. Amended and Restated 2018 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on May 4, 2021) †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521150222/d178751dex101.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521150222/d178751dex101.htm</a>
10.20	The GEO Group, Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on May 4, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521150222/d178751dex102.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521150222/d178751dex102.htm</a>
10.21	Separation and General Release Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex101.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex101.htm</a>
10.22	Executive Chairman Employment Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex102.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex102.htm</a>
10.23	Amended and Restated Executive Retirement Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex103.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex103.htm</a>
10.24	Executive Employment Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and Jose Gordo (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	<a href="https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex104.htm">https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex104.htm</a>
21.1	<a href="#">Subsidiaries of the Company*</a>	
22.1	<a href="#">List of Guarantor Subsidiaries *</a>	
23.1	<a href="#">Consent of Grant Thornton LLP, Independent Registered Public Accounting Firm*</a>	
31.1	<a href="#">Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002*</a>	



31.2	<a href="#">Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002*</a>
32.1	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</a>
32.2	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</a>
101*	The following financial information from the Company's Annual Report on Form 10-K for the year ended December 31, 2021, formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Statements of Operations, (ii) the Consolidated Statements of Comprehensive Income (Loss), (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Stockholders' Equity, and (vi) the Notes to the Consolidated Financial Statements. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
104*	Cover Page Interactive Data Title - the cover page XBRL tags are embedded within the Inline XBRL document.

\* Filed herewith.

† Management contract or compensatory plan, contract or agreement as defined in Item 402 (a)(3) of Regulation S-K.

(P) Paper filing

**Item 16. Form 10-K Summary.**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE GEO GROUP, INC.

/s/ BRIAN R. EVANS

Brian R. Evans

*Senior Vice President and Chief Financial Officer*

Date: February 28, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ George C. Zoley</u> George C. Zoley	Executive Chairman Director	February 28, 2022
<u>/s/ Jose Gordo</u> Jose Gordo	Chief Executive Officer and Director (principal executive officer)	February 28, 2022
<u>/s/ Brian R. Evans</u> Brian R. Evans	Senior Vice President and Chief Financial Officer (principal financial officer)	February 28, 2022
<u>/s/ Ronald A. Brack</u> Ronald A. Brack	Executive Vice President, Chief Accounting Officer and Controller (principal accounting officer)	February 28, 2022
<u>/s/ Dr. Thomas Bartzokis</u> Dr. Thomas Bartokis	Director	February 28, 2022
<u>/s/ Julie M. Wood</u> Julie M. Wood	Director	February 28, 2022
<u>/s/ Anne N. Foreman</u> Anne N. Foreman	Director	February 28, 2022
<u>/s/ Richard H. Glanton</u> Richard H. Glanton	Director	February 28, 2022
<u>/s/ Christopher C. Wheeler</u> Christopher C. Wheeler	Director	February 28, 2022
<u>/s/ Jack Brewer</u> Jack Brewer	Director	February 28, 2022
<u>/s/ Terry Mayotte</u> Terry Mayotte	Director	February 28, 2022
<u>/s/ Andrew Shapiro</u> Andrew Shapiro	Director	February 28, 2022
<u>/s/ Scott M. Kernan</u> Scott M. Kernan	Director	February 28, 2022

**THE GEO GROUP, INC.**  
**SCHEDULE II**  
**VALUATION AND QUALIFYING ACCOUNTS**  
**For the Years Ended December 31, 2021, 2020 and 2019**

Description	Balance at Beginning of Period	Charged to Cost and Expenses	Charged to Other Accounts	Deductions, Actual Charge-Offs	Balance at End of Period
	(In thousands)				
<b>YEAR ENDED DECEMBER 31, 2021:</b>					
Allowance for doubtful accounts	\$ 2,674	\$ 63	\$ (1,454)	\$ (128)	\$ 1,155
<b>YEAR ENDED DECEMBER 31, 2020:</b>					
Allowance for doubtful accounts	\$ 3,195	\$ 621	\$ 76	\$ (1,218)	\$ 2,674
<b>YEAR ENDED DECEMBER 31, 2019:</b>					
Allowance for doubtful accounts	\$ 4,183	\$ 190	\$ —	\$ (1,178)	\$ 3,195



The GEO Group, Inc. Subsidiaries

The following is a list of the Company's subsidiaries as of December 31, 2021 (except for certain subsidiaries that, in the aggregate, would not be a "significant subsidiary" as defined in Rule 1-02 (w) of Regulation S-X). Unless otherwise stated, the Company holds directly or indirectly 100% of the subsidiaries listed below.

B.I. Incorporated (CO)  
CPT Operating Partnership L.P. (DE)  
GEO Corrections Holdings, Inc. (FL)  
GEO Secure Services, LLC (FL)  
The GEO Group Australia Pty. Ltd. (AUS)  
WBP Leasing, LLC (DE)

Guarantor Subsidiaries

The following is a list of the subsidiary guarantors to the outstanding senior notes issued by The GEO Group, Inc., specifically the 6.00% senior notes, the 5.125% senior notes and the 5.875% senior notes. Additionally, the following is a list of the subsidiary guarantors to the outstanding 6.50% exchangeable senior notes issued by GEO Corrections Holdings, Inc. The 6.50% exchangeable senior notes are also guaranteed by The GEO Group, Inc.

ADAPPT, LLC  
Arapahoe County Residential Center, LLC  
BI Incorporated  
Behavioral Acquisition Corp.  
Behavioral Holding Corp.  
BI Mobile Breath, Inc.  
BII Holding Corporation  
BII Holding I Corporation  
Broad Real Estate Holdings, LLC  
CCC Wyoming Properties, LLC  
CCMAS, LLC  
CEC Intermediate Holdings, LLC  
CEC Parent Holdings, LLC  
CEC Staffing Solutions, LLC  
CiviGenics, Inc.  
CiviGenics Management Services, LLC  
CiviGenics-Texas, Inc.  
Clearstream Development, LLC  
Community Alternatives  
Community Corrections, LLC  
Community Education Centers, Inc.  
Cornell Companies Inc.  
Cornell Corrections Management LLC  
Cornell Corrections of Rhode Island, Inc.  
Cornell Corrections of Texas, Inc.  
Correctional Properties Prison Finance LLC  
Correctional Properties, LLC  
Correctional Services Corporation LLC  
Correctional Systems, LLC  
CPT Limited Partner, LLC  
CPT Operating Partnership L.P.  
Fenton Security, LLC  
GEO Acquisition II, Inc.  
GEO Care LLC  
GEO CC3 Inc.  
GEO Secure Services, LLC  
GEO Corrections Holdings, Inc.  
GEO CPM, Inc.  
GEO Management Services, Inc.  
GEO Holdings I, Inc.  
GEO International Services, Inc.  
GEO MCF LP, LLC

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GEO Leasing, LLC  
GEO Operations, Inc.  
GEO RE Holdings LLC  
GEO Reentry of Alaska Inc.  
GEO Reentry Services, LLC  
GEO Reentry, Inc.  
GEO Transport, Inc.  
GEO/DEL/R/02, Inc.  
GEO/DEL/T/02, Inc.  
Highpoint Investments, LLC  
MCF GP, LLC  
Minsec Companies, LLC  
Minsec Treatment, LLC  
Municipal Corrections Finance, L.P.  
Protocol Criminal Justice, Inc.  
Public Properties Development and Leasing LLC  
SECON, Inc.  
WBP Leasing, LLC

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We have issued our reports dated February 28, 2022, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of The GEO Group, Inc. on Form 10-K for the year ended December 31, 2021. We consent to the incorporation by reference of said reports in the Registration Statements of The GEO Group, Inc. on Form S-3 (File No. 333-249772) and on Forms S-8 (File No. 333-257116, File No. 333-224871, File No. 333-196504, File No. 333-181175, File No. 333-169198, File No.333-09981, and File No. 333-142589).

/s/ GRANT THORNTON LLP

Miami, Florida  
February 28, 2022

## THE GEO GROUP, INC.

## CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Jose Gordo, certify that:

1. I have reviewed this Annual Report on Form 10-K of The GEO Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2022

/s/ Jose Gordo

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Jose Gordo  
Chief Executive Officer

## THE GEO GROUP, INC.

## CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Brian R. Evans, certify that:

1. I have reviewed this Annual Report on Form 10-K of The GEO Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2022

/s/ Brian R. Evans

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Brian R. Evans  
Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of The GEO Group, Inc. (the "Company") for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jose Gordo, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jose Gordo

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Jose Gordo

Chief Executive Officer

Date: February 28, 2022

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of The GEO Group, Inc. (the “Company”) for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Brian R. Evans, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Brian R. Evans

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Brian R. Evans  
Chief Financial Officer

Date: February 28, 2022



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# RFP Exhibit F—Federal Funds

**Exhibit F**  
**Federal Funds Certifications**

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**FEDERAL CERTIFICATIONS**  
ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

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**TO WHOM IT MAY CONCERN:**

**Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.**

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**DEFINITIONS**

**Contract** means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

**Contractor** means an entity that receives a contract as defined in Contract.

**Cooperative agreement** means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302-6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
  - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
  - (2) An agreement that provides only:
    - (i) Direct United States Government cash assistance to an individual;
    - (ii) A subsidy;
    - (iii) A loan;
    - (iv) A loan guarantee; or
    - (v) Insurance.

**Federal awarding agency** means the Federal agency that provides a Federal award directly to a non-Federal entity

**Federal award** has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

**Non-Federal entity** means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

**Nonprofit organization** means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

**Obligations** means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

**Pass-through entity** means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

**Recipient** means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

**Simplified acquisition threshold** means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

**Subaward** means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

**Subrecipient** means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

**Termination** means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Per FAR 52.204-24 and FAR 52.204-25, solicitations and resultant contracts shall contain the following provisions.

#### **52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Oct 2020)**

The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it "does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument" in paragraph (c)(1) in the provision at [52.204-26](#), Covered Telecommunications Equipment or Services—Representation, or in paragraph (v)(2)(i) of the provision at [52.212-3](#), Offeror Representations and Certifications-Commercial Items. The Offeror shall not complete the representation in paragraph (d)(2) of this provision if the Offeror has represented that it "does not use covered telecommunications equipment or services, or any equipment, system, or service that uses covered telecommunications equipment or services" in paragraph (c)(2) of the provision at [52.204-26](#), or in paragraph (v)(2)(ii) of the provision at [52.212-3](#).

(a) *Definitions.* As used in this provision—

*Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component* have the meanings provided in the clause [52.204-25](#), Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract or extending or renewing a contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) *Procedures.* The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for "covered telecommunications equipment or services".

(d) *Representation.* The Offeror represents that—

(1) It  will,  will not provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation. The Offeror shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Offeror responds "will" in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Offeror represents that—

It  does,  does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Offeror shall provide the additional disclosure information required at paragraph (e)(2) of this section if the Offeror responds "does" in paragraph (d)(2) of this section.

(e) *Disclosures.*

(1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Offeror has responded "will" in the representation in paragraph (d)(1) of this provision, the Offeror shall provide the following information as part of the offer.

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Offeror has responded "does" in the representation in paragraph (d)(2) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

## **52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020).**

(a) *Definitions.* As used in this clause—

*Backhaul* means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

*Covered foreign country* means The People's Republic of China.

*Covered telecommunications equipment or services* means—

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment; or

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

*Critical technology* means—

(1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;

(2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled-

(i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or

(ii) For reasons relating to regional stability or surreptitious listening;

(3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);

(4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);

(5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or

(6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

*Interconnection arrangements* means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

*Reasonable inquiry* means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of covered telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

*Roaming* means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

*Substantial or essential component* means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR [4.2104](#).

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR [4.2104](#). This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) *Exceptions.* This clause does not prohibit contractors from providing—

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements;

or

(2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) *Reporting requirement.*

(1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause

(i) Within one business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e) and excluding paragraph (b)(2), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of

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**APPENDIX II TO 2 CFR PART 200**

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**(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.**

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

**(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)**

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

**(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."**

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES DC Initials of Authorized Representative of offeror

**(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.**

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

**(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).** Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES \_\_\_\_\_ DC \_\_\_\_\_ Initials of Authorized Representative of offeror

**(F) Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES \_\_\_\_\_ DC \_\_\_\_\_ Initials of Authorized Representative of offeror

**(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—**Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES \_\_\_\_\_ DC \_\_\_\_\_ Initials of Authorized Representative of offeror

**(H) Debarment and Suspension (Executive Orders 12549 and 12689)—**A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals



becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

**(l) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.**

Pursuant to Federal Rule (l) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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#### RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

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When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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#### CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

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When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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#### CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

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To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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**CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336**

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Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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**CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS**

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Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES DC Initials of Authorized Representative of offeror

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**Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.**

Offeror's Name:  
BI Incorporated

Address, City, State, and Zip Code:  
6265 Gunbarrel Avenue, Suite B, Boulder, CO 80301

Phone Number: 303.218.1000 Fax Number:  
303.218.1461

Printed Name and Title of Authorized Representative:  
Danna Coapland, Vice President, Finance

Email Address:  
bidsvcs@bi.com

Signature of Authorized Representative: Danna Coapland Date: March 30, 2022

## FEMA SPECIAL CONDITIONS

Awarded Supplier(s) may need to respond to events and losses where products and services are needed for the immediate and initial response to emergency situations such as, but not limited to, water damage, fire damage, vandalism cleanup, biohazard cleanup, sewage decontamination, deodorization, and/or wind damage during a disaster or emergency situation. By submitting a proposal, the Supplier is accepted these FEMA Special Conditions required by the Federal Emergency Management Agency (FEMA).

“Contract” in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as the “Master Agreement”.

“Contractor” in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as “Supplier” or “Awarded Supplier”.

### **Conflicts of Interest**

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3. i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of the Participating Public Agency nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

### **Contractor Integrity**

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended, as described in and subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security’s regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension), must be rejected and cannot receive contract awards at any level.

### **Public Policy**

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

### **Affirmative Steps**

Version October 19, 2021

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

### **Prevailing Wage Requirements**

When applicable, the awarded Contractor (s) and any and all subcontractor(s) agree to comply with all laws regarding prevailing wage rates including the Davis-Bacon Act, applicable to this solicitation and/or Participating Public Agencies. The Participating Public Agency shall notify the Contractor of the applicable pricing/prevailing wage rates and must apply any local wage rates requested. The Contractor and any subcontractor(s) shall comply with the prevailing wage rates set by the Participating Public Agency.

### **Federal Requirements**

If products and services are issued in response to an emergency or disaster recovery the items below, located in this FEMA Special Conditions section of the Federal Funds Certifications, are activated and required when federal funding may be utilized.

## **2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses**

### **1. REMEDIES**

- a. Standard. Contracts for more than the simplified acquisition threshold, currently set at \$250,000, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. See 2 C.F.R. Part 200, Appendix II(A).
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.

### **2. TERMINATION FOR CAUSE AND CONVENIENCE**

- a. Standard. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity, including the manner by which it will be effected and the basis for settlement. See 2 C.F.R. Part 200, Appendix II(B).
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.

### **3. EQUAL EMPLOYMENT OPPORTUNITY**

When applicable:

- a. Standard. Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R.

§ 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60- 1.4(b), in accordance with Executive Order 11246, *Equal Employment Opportunity* (30 Fed. Reg. 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, *Amending Executive Order 11246 Relating to Equal Employment Opportunity*, and implementing regulations at 41 C.F.R. Part 60 (Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor). See 2 C.F.R. Part 200, Appendix II(C).

**b. Key Definitions.**

- i. Federally Assisted Construction Contract. The regulation at 41 C.F.R. § 60-1.3 defines a “federally assisted construction contract” as any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work.
  - ii. Construction Work. The regulation at 41 C.F.R. § 60-1.3 defines “construction work” as the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.
- c. Applicability.** This requirement applies to all FEMA grant and cooperative agreement programs.
- d. Required Language.** The regulation at 41 C.F.R. Part 60-1.4(b) requires the insertion of the following contract clause.

During the performance of this contract, the contractor agrees as follows:

**(1)** The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

**(2)** The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

**(3)** The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

**(4)** The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

**(5)** The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

**(6)** The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

**(7)** In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

**(8)** The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

#### **4. DAVIS-BACON ACT**

- a. Standard.** All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction). See 2 C.F.R. Part 200, Appendix II(D). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- b. Applicability.** The Davis-Bacon Act applies to the Emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program.
- c. Requirements.** If applicable, the non-federal entity must do the following:
  - i. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
  - ii. Additionally, pursuant 2 C.F.R. Part 200, Appendix II(D), contracts subject to the Davis-Bacon Act, must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti-Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person

employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.

- iii. Include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").

Suggested Language. The following provides a sample contract clause:

Compliance with the Davis-Bacon Act.

- a. All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- b. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- c. Additionally, contractors are required to pay wages not less than once a week.

## 5. COPELAND ANTI-KICKBACK ACT

- a. Standard. Recipient and subrecipient contracts must include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States").
- b. Applicability. This requirement applies to all contracts for construction or repair work above \$2,000 in situations where the Davis-Bacon Act also applies. It DOES NOT apply to the FEMA Public Assistance Program.
- c. Requirements. If applicable, the non-federal entity must include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). Each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA. Additionally, in accordance with the regulation, each contractor and subcontractor must furnish each week a statement with respect to the wages paid each of its employees engaged in work covered by the Copeland Anti-Kickback Act and the Davis Bacon Act during the preceding weekly payroll period. The report shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work.

Sample Language. The following provides a sample contract clause:



Compliance with the Copeland "Anti-Kickback" Act.

- a. Contractor. The contractor shall comply with 18 U.S.C. §874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- b. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- c. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. §5.12."

**6. CONTRACT WORK HOURS AND SAFETY STANDARDSACT**

- a. Standard. Where applicable (see 40 U.S.C. §§ 3701-3708), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II(E). Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Further, no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.
- b. Applicability. This requirement applies to all FEMA contracts awarded by the non- federal entity in excess of \$100,000 under grant and cooperative agreement programs that involve the employment of mechanics or laborers. It is applicable to construction work. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- c. Suggested Language. The regulation at 29 C.F.R. § 5.5(b) provides contract clause language concerning compliance with the Contract Work Hours and Safety Standards Act. FEMA suggests including the following contract clause:

Compliance with the Contract Work Hours and Safety Standards Act.

(1) *Overtime requirements.* No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in suchworkweek.

(2) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation

of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of

\$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.* The Federal agency or loan/grant recipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) *Subcontracts.* The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

## 7. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

- a. Standard. If the FEMA award meets the definition of “funding agreement” under 37C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II(F).
- b. Applicability. This requirement applies to “funding agreements,” but it DOES NOT apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as FEMA awards under these programs do not meet the definition of “funding agreement.”
- c. Funding Agreements Definition. The regulation at 37 C.F.R. § 401.2(a) defines “funding agreement” as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

## 8. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT

- a. Standard. If applicable, contracts must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q.) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II(G).
- b. Applicability. This requirement applies to contracts awarded by a non-federal entity of amounts in excess of \$150,000 under a federal grant.
- c. Suggested Language. The following provides a sample contract clause.

### Clean Air Act

1. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

### Federal Water Pollution Control Act

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

## 9. DEBARMENT AND SUSPENSION

- a. Standard. Non-Federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and*

*Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension).

- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.
  
- c. Requirements.
  - i. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II(H); and 2 C.F.R. § 200.213. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at [www.sam.gov](http://www.sam.gov). See 2 C.F.R. § 180.530.
  
  - ii. In general, an “excluded” party cannot receive a Federal grant award or a contract within the meaning of a “covered transaction,” to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a “covered transaction,” which is any non-procurement transaction (unless excepted) at either a “primary” or “secondary” tier. Although “covered transactions” do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipients.
  
  - iii. Specifically, a covered transaction includes the following contracts for goods or services:
    - 1. The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
    - 2. The contract requires the approval of FEMA, regardless of amount.
    - 3. The contract is for federally-required auditservices.
    - 4. A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
  
- d. Suggested Language. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified.

Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2

C.F.R. § 180.935).

- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by the Participating Public Agency. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Participating Public Agency, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

## 10. BYRD ANTI-LOBBYING AMENDMENT

- a. Standard. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. FEMA's regulation at 44 C.F.R. Part 18 implements the requirements of 31 U.S.C. § 1352 and provides, in Appendix A to Part 18, a copy of the certification that is required to be completed by each entity as described in 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Federal awarding agency.
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs. Contractors that apply or bid for a contract of \$100,000 or more under a federal grant must file the required certification. See 2 C.F.R. Part 200, Appendix II(I); 31 U.S.C. § 1352; and 44 C.F.R. Part 18.
- c. Suggested Language.

### Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

- d. Required Certification. If applicable, contractors must sign and submit to the non-federal entity the following certification.

APPENDIX A. 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

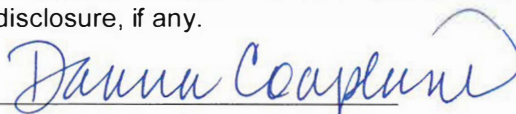
Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, BI Incorporated, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

Danna Coapland, Vice President, Finance

Name and Title of Contractor's Authorized Official

March 30, 2022

Date

## 11. PROCUREMENT OF RECOVERED MATERIALS

- a. Standard. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See 2 C.F.R. Part 200, Appendix II(J); and 2 C.F.R. §200.322.
- b. Applicability. This requirement applies to all contracts awarded by a non- federal entity under FEMA grant and cooperative agreement programs.
- c. Requirements. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. Suggested Language.
  - i. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
    - 1. Competitively within a timeframe providing for compliance with the contract performance schedule;
    - 2. Meeting contract performance requirements; or
    - 3. At a reasonable price.
  - ii. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
  - iii. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.”

## 12. ACCESS TO RECORDS

- a. Standard. All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. Recipients must give DHS/FEMA access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations *and* other applicable laws or program guidance. See DHS Standard Terms and Conditions: Version 8.1 (2018). Additionally, Section 1225 of the Disaster Recovery Reform Act of 2018 prohibits FEMA from providing reimbursement to any state, local, tribal, or territorial government, or private non-profit for activities made pursuant to a contract that purports to prohibit audits or internal reviews by the FEMA administrator or Comptroller General.

Access to Records. The following access to records requirements apply to this contract:

- i. The Contractor agrees to provide Participating Public Agency, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- ii. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- iii. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- iv. In compliance with the Disaster Recovery Act of 2018, the Participating Public Agency and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

### 13. CHANGES

- a. Standard. To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope.
- b. Applicability. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

### 14. DHS SEAL, LOGO, AND FLAGS

- a. Standard. Recipients must obtain permission prior to using the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials. See DHS Standard Terms and Conditions: Version 8.1 (2018).
- b. Applicability. FEMA recommends that all non-Federal entities place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- c. "The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.



## 15. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

- a. Standard. The recipient and its contractors are required to comply with all Federal laws, regulations, and executive orders.
- b. Applicability. FEMA recommends that all non-Federal entities place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable Federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- c. "This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives."

## 16. NO OBLIGATION BY FEDERAL GOVERNMENT

- a. Standard. FEMA is not a party to any transaction between the recipient and its contractor. FEMA is not subject to any obligations or liable to any party for any matter relating to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- c. "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

## 17. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

- a. Standard. Recipients must comply with the requirements of The False Claims Act (31 U.S.C. §§ 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the federal government. See DHS Standard Terms and Conditions: Version 8.1 (2018); and 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- c. "The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract."

**Offeror agrees to comply with all terms and conditions outlined in the FEMA Special Conditions section of this solicitation.**

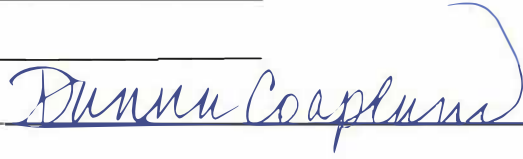
Offeror's Name: BI Incorporated

Address, City, State, and Zip Code:  
6265 Gunbarrel Avenue, Suite B, Boulder, CO 80301

Phone Number: 303.218.1000 Fax Number: 303.218.1461

Printed Name and Title of Authorized Representative:  
Danna Coapland, Vice President, Finance

Email Address: bidsvcs@bi.com

Signature of Authorized Representative: 

Date: March 30, 2022

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# RFP Exhibit G—New Jersey Business Compliance

**Exhibit G**  
**New Jersey Business Compliance**

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**NEW JERSEY BUSINESS COMPLIANCE**

Suppliers intending to do business in the State of New Jersey must comply with policies and procedures required under New Jersey statutes. All offerors submitting proposals must complete the following forms specific to the State of New Jersey. Completed forms should be submitted with the offeror's response to the RFP. Failure to complete the New Jersey packet will impact OMNIA Partners' ability to promote the Master Agreement in the State of New Jersey.

DOC #1	Ownership Disclosure Form
DOC #2	Non-Collusion Affidavit
DOC #3	Affirmative Action Affidavit
DOC #4	Political Contribution Disclosure Form
DOC #5	Stockholder Disclosure Certification
DOC #6	Certification of Non-Involvement in Prohibited Activities in Iran
DOC #7	New Jersey Business Registration Certificate

New Jersey suppliers are required to comply with the following New Jersey statutes when applicable:

- all anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38;
- Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act;
- Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26; and
- Bid and Performance Security, as required by the applicable municipal or state statutes.

**STATEMENT OF OWNERSHIP DISCLOSURE**

N.J.S.A. 52:25-24.2 (P.L. 1977, c.33, as amended by P.L. 2016, c.43)

**This statement shall be completed, certified to, and included with all bid and proposal submissions. Failure to submit the required information is cause for automatic rejection of the bid or proposal.**

**Name of Organization:** BI Incorporated

**Organization Address:** 6265 Gunbarrel Avenue, Suite B, Boulder, CO 80301

**Part I Check the box that represents the type of business organization:**

- Sole Proprietorship (skip Parts II and III, execute certification in Part IV)
- Non-Profit Corporation (skip Parts II and III, execute certification in Part IV)
- For-Profit Corporation (any type)     Limited Liability Company (LLC)
- Partnership     Limited Partnership     Limited Liability Partnership (LLP)
- Other (be specific): \_\_\_\_\_

**Part II**

The list below contains the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class, or of all individual partners in the partnership who own a 10 percent or greater interest therein, or of all members in the limited liability company who own a 10 percent or greater interest therein, as the case may be. **(COMPLETE THE LIST BELOW IN THIS SECTION)**

**OR**

No one stockholder in the corporation owns 10 percent or more of its stock, of any class, or no individual partner in the partnership owns a 10 percent or greater interest therein, or no member in the limited liability company owns a 10 percent or greater interest therein, as the case may be. **(SKIP TO PART IV)**

(Please attach additional sheets if more space is needed):

Name of Individual or Business Entity	Home Address (for Individuals) or Business Address
The Geo Group, Inc	4955 Technology Way, Boca Raton, FL 33431

**Part III DISCLOSURE OF 10% OR GREATER OWNERSHIP IN THE STOCKHOLDERS, PARTNERS OR LLC MEMBERS LISTED IN PART II**

If a bidder has a direct or indirect parent entity which is publicly traded, and any person holds a 10 percent or greater beneficial interest in the publicly traded parent entity as of the last annual federal Security and Exchange Commission (SEC) or foreign equivalent filing, ownership disclosure can be met by providing links to the website(s) containing the last annual filing(s) with the federal Securities and Exchange Commission (or foreign equivalent) that contain the name and address of each person holding a 10% or greater beneficial interest in the publicly traded parent entity, along with the relevant page numbers of the filing(s) that contain the information on each such person. **Attach additional sheets if more space is needed.**

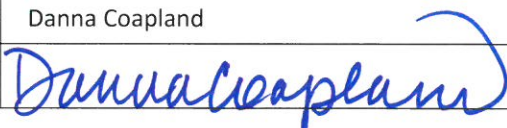
Website (URL) containing the last annual SEC (or foreign equivalent) filing	Page #'s
N/A	

**Please list** the names and addresses of each stockholder, partner or member owning a 10 percent or greater interest in any corresponding corporation, partnership and/or limited liability company (LLC) listed in Part II **other than for any publicly traded parent entities referenced above.** The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, and member exceeding the 10 percent ownership criteria established pursuant to N.J.S.A. 52:25-24.2 has been listed. **Attach additional sheets if more space is needed.**

Stockholder/Partner/Member and Corresponding Entity Listed in Part II	Home Address (for Individuals) or Business Address
The Vanguard Group, Inc	100 Vanguard Boulevard V26, Malvern, PA 19355
BlackRock, Inc.	55 East 52nd Street, New York, NY 10055-0003

**Part IV Certification**

I, being duly sworn upon my oath, hereby represent that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge: that I am authorized to execute this certification on behalf of the bidder/proposer; that the **<name of contracting unit>** is relying on the information contained herein and that I am under a continuing obligation from the date of this certification through the completion of any contracts with **<type of contracting unit>** to notify the **<type of contracting unit>** in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I am subject to criminal prosecution under the law and that it will constitute a material breach of my agreement(s) with the, permitting the **<type of contracting unit>** to declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print):	Danna Coapland	Title:	Vice President, Finance
Signature:		Date:	3/30/2022

**NON-COLLUSION AFFIDAVIT**

<b>STANDARD BID DOCUMENT REFERENCE</b>	
	<b>Reference: VII-H</b>
Name of Form:	<b>NON-COLLUSION AFFIDAVIT</b>
Statutory Reference:	No specific statutory reference State Statutory Reference N.J.S.A. 52:34-15
Instructions Reference:	Statutory and Other Requirements VII-H
Description:	The Owner's use of this form is optional. It is used to ensure that the bidder has not participated in any collusion with any other bidder or Owner representative or otherwise taken any action in restraint of free and competitive bidding.

NON-COLLUSION AFFIDAVIT

State of New Jersey  
County of \_\_\_\_\_

ss:

I, Danna Coapland residing in N/A  
(name of affiant) (name of municipality)

in the County of Boulder and State of Colorado of full age, being duly sworn according to law on my oath depose and say that:

I am Vice President, Finance of the firm of BI Incorporated  
(title or position) (name of firm)

\_\_\_\_\_ the bidder making this Proposal for the bid

entitled Offender Monitoring Solutions, and that I executed the said proposal with  
(title of bid proposal)  
full authority to do so that said bidder has not, directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the \_\_\_\_\_  
City of Mesa relies upon the truth of the statements contained in said Proposal  
(name of contracting unit)  
and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by BI Incorporated.

Subscribed and sworn to

before me this day

Danna Coapland  
Signature

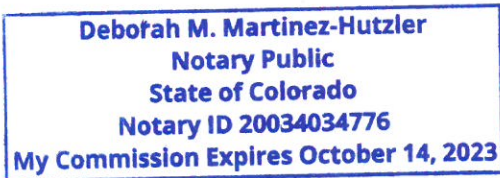
March 30, 2022

Danna Coapland, Vice President, Finance  
(Type or print name of affiant under signature)

Deborah M. Martinez-Hutzler  
Notary public of Colorado

My Commission expires 10-14-2023

(Seal)





**AFFIRMATIVE ACTION AFFIDAVIT  
(P.L. 1975, C.127)**

**Company Name:** BI Incorporated

**Street:** 6265 Gunbarrel Avenue, Suite B

**City, State, Zip Code:** Boulder, CO 80301

**Proposal Certification:**

Indicate below company's compliance with New Jersey Affirmative Action regulations. Company's proposal will be accepted even if company is not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

**Required Affirmative Action Evidence:**

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photo copy of their Federal Letter of Affirmative Action Plan Approval

OR

2. A photo copy of their Certificate of Employee Information Report

OR

3. A complete Affirmative Action Employee Information Report (AA302) \_\_\_\_\_

**Public Work – Over \$50,000 Total Project Cost:**

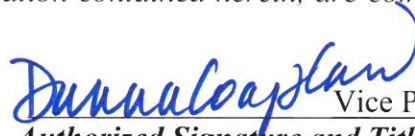
A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the

B. Approved Federal or New Jersey Plan – certificate enclosed

*I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.*

3/30/2022

**Date**

  
Vice President, Finance  
**Authorized Signature and Title**

**P.L. 1995, c. 127 (N.J.A.C. 17:27)**  
**MANDATORY AFFIRMATIVE ACTION LANGUAGE**

**PROCUREMENT, PROFESSIONAL AND SERVICE**  
**CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of it testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

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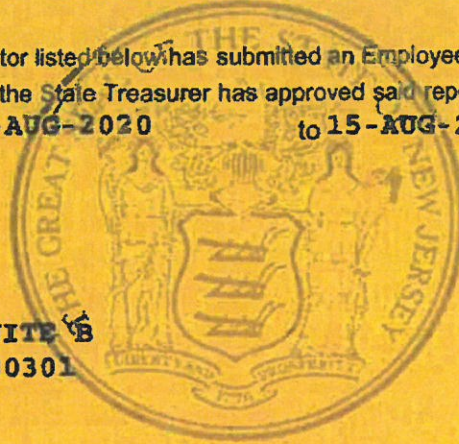
Signature of Procurement Agent

Certification 4577

**CERTIFICATE OF EMPLOYEE INFORMATION REPORT**  
**RENEWAL**

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of **15-AUG-2020** to **15-AUG-2023**

**BI INCORPORATED**  
**6265 GUNBARREL AVE., SUITE B**  
**BOULDER CO 80301**



*Elizabeth Maher Muoio*

ELIZABETH MAHER MUOIO  
State Treasurer

## C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

### Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 ([http://www.nj.gov/dca/divisions/dlgs/resources/lfns\\_2006.html](http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html)). Please refer back to these instructions for the appropriate links, as the Local Finance Notices include links that are no longer operational.

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
  - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at <http://www.nj.gov/dca/divisions/dlgs/programs/lpcl.html#12>. They will be updated from time-to-time as necessary.
  - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
  - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
  - d. The form may be used “as-is”, subject to edits as described herein.
  - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
  - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract (See Local Finance Notice 2006-7 for additional information on this obligation at [http://www.nj.gov/dca/divisions/dlgs/resources/lfns\\_2006.html](http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html)). A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. NOTE: This section is not applicable to Boards of Education.

## C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

### Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee\*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
  - of the public entity awarding the contract
  - of that county in which that public entity is located
  - of another public entity within that county
  - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

\* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

**C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM**

Required Pursuant to N.J.S.A. 19:44A-20.26

**This form or its permitted facsimile must be submitted to the local unit no later than 10 days prior to the award of the contract.**

**Part I – Vendor Information**

Vendor Name:	BI Incorporated		
Address:	6265 Gunbarrel Avenue, Suite B		
City:	Boulder	State: CO	Zip: 80301

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A. 19:44A-20.26 and as represented by the Instructions accompanying this form.

Danna Coapland
Vice President, Finance  
Signature
Printed Name
Title

**Part II – Contribution Disclosure**

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

Check here if disclosure is provided in electronic form

Contributor Name	Recipient Name	Date	Dollar Amount
GEO Group	EFO Louis Greenwald for Assembly	1/20/2021	\$ 1,000.00
GEO Group	Cryan for Senate	1/26/2021	\$ 750.00
GEO Group	Election Fund of Craig Coughlin	3/11/2021	\$ 2,600.00
GEO Group	Friends of Dan Benson	5/11/2021	\$ 750.00
GEO Group	Friends of Dan Benson	7/16/2021	\$ 1,000.00
GEO Group	Singleton for Senate	7/16/2021	\$ 1,000.00
GEO Group	EFO Louis Greenwald for Assembly	7/16/2021	\$ 1,000.00
GEO Group	Eliana Pintor-Marin for State Assembly	7/16/2021	\$ 1,000.00
GEO Group	Sweeney for Senate	7/16/2021	\$ 2,600.00
GEO Group	Election Fund of Craig Coughlin	7/16/2021	\$ 2,600.00
GEO Group	Semter for Assembly	7/16/2021	\$ 750.00
GEO Group	Eliana Pintor-Marin for State Assembly	11/3/2021	\$ 1,600.00
GEO Care	Joseph N. DiVincenzo, Jr. for Essex Cty Executive	2/24/2022	\$ 2,000.00

Check here if the information is continued on subsequent page(s)

**List of Agencies with Elected Officials Required for Political Contribution Disclosure**  
**N.J.S.A. 19:44A-20.26**

**County Name:**

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD  
FROM THE PAY TO PLAY SECTION OF THE DLGS WEBSITE A  
COUNTY-BASED, CUSTOMIZABLE FORM.**

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

[X] I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

[ ] I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

[ ] Partnership

[X] Corporation

[ ] Sole Proprietorship

[ ] Limited Partnership

[ ] Limited Liability Corporation

[ ] Limited Liability Partnership

[ ] Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Table with 2 columns: Name, Home Address. Row 1: The Vanguard Group, Inc; 100 Vanguard Boulevard V26, Malvern, PA 19355. Row 2: BlackRock, Inc; 55 East 52nd Street, New York, NY 10055-0003.

Subscribed and sworn before me this 30th day of March, 2022. (Notary Public) My Commission expires: 10-14-2023. Danna Coapland, Vice President, Finance (Print name & title of affiant) (Corporate Seal)

Deborah M. Martinez-Hutzler Notary Public State of Colorado Notary ID 20034034776 My Commission Expires October 14, 2023



**Certification of Non-Involvement in Prohibited Activities in Iran**

Pursuant to N.J.S.A. 52:32-58, Offerors must certify that neither the Offeror, nor any of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32 – 56(e) (3)), is listed on the Department of the Treasury’s List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither is involved in any of the investment activities set forth in N.J.S.A. 52:32 – 56(f).

Offerors wishing to do business in New Jersey through this contract must fill out the Certification of Non-Involvement in Prohibited Activities in Iran here:

[http://www.state.nj.us/humanservices/dfd/info/standard/fdc/disclosure\\_investmentact.pdf](http://www.state.nj.us/humanservices/dfd/info/standard/fdc/disclosure_investmentact.pdf).

Offerors should submit the above form completed with their proposal.

STATE OF NEW JERSEY -- DIVISION OF PURCHASE AND PROPERTY  
DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Quote Number: 2022118

Bidder/Offeror: BI Incorporated

**PART 1: CERTIFICATION**

**BIDDERS MUST COMPLETE PART 1 BY CHECKING EITHER BOX.**

**FAILURE TO CHECK ONE OF THE BOXES WILL RENDER THE PROPOSAL NON-RESPONSIVE.**

Pursuant to Public Law 2012, c. 25, any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must complete the certification below to attest, under penalty of perjury, that neither the person or entity, nor any of its parents, subsidiaries, or affiliates, is identified on the Department of Treasury's Chapter 25 list as a person or entity engaging in investment activities in Iran. The Chapter 25 list is found on the Division's website at <http://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Bidders must review this list prior to completing the below certification. **Failure to complete the certification will render a bidder's proposal non-responsive.** If the Director finds a person or entity to be in violation of law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party

**PLEASE CHECK THE APPROPRIATE BOX:**

I certify, pursuant to Public Law 2012, c. 25, that neither the bidder listed above nor any of the bidder's parents, subsidiaries, or affiliates is listed on the N.J. Department of the Treasury's list of entities determined to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c. 25 ("Chapter 25 List"). I further certify that I am the person listed above, or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf. **I will skip Part 2 and sign and complete the Certification below.**

**OR**

I am unable to certify as above because the bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the Department's Chapter 25 list. I will provide a detailed, accurate and precise description of the activities in Part 2 below and sign and complete the Certification below. Failure to provide such will result in the proposal being rendered as non-responsive and appropriate penalties, fines and/or sanctions will be assessed as provided by law.

**PART 2: PLEASE PROVIDE FURTHER INFORMATION RELATED TO INVESTMENT ACTIVITIES IN IRAN**

You must provide a detailed, accurate and precise description of the activities of the bidding person/entity, or one of its parents, subsidiaries or affiliates, engaging in the investment activities in Iran outlined above by completing the boxes below.

**EACH BOX WILL PROMPT YOU TO PROVIDE INFORMATION RELATIVE TO THE ABOVE QUESTIONS. PLEASE PROVIDE THOROUGH ANSWERS TO EACH QUESTION. IF YOU NEED TO MAKE ADDITIONAL ENTRIES, CLICK THE "ADD AN ADDITIONAL ACTIVITIES ENTRY" BUTTON.**

Name	<u>N/A</u>	Relationship to Bidder/Offeror	_____
Description of Activities	_____		
Duration of Engagement	_____	Anticipated Cessation Date	_____
Bidder/Offeror Contact Name	_____	Contact Phone Number	_____

ADD AN ADDITIONAL ACTIVITIES ENTRY

**Certification:** I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I attest that I am authorized to execute this certification on behalf of the above-referenced person or entity. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers of information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option may declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print): Danna Coapland

Signature: 

Title: Vice President, Finance

Date: 3/30/2022

DOC #7

**NEW JERSEY BUSINESS REGISTRATION CERTIFICATE  
(N.J.S.A. 52:32-44)**

Offerors wishing to do business in New Jersey must submit their State Division of Revenue issued Business Registration Certificate with their proposal here. Failure to do so will disqualify the Offeror from offering products or services in New Jersey through any resulting contract.

<https://www.njportal.com/DOR/BusinessRegistration/>



## STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

**Taxpayer Name:** B.I. CORRECTIONAL SERVICES, INC.

**Trade Name:**

**Address:** 6265 GUNBARREL AVENUE, SUITE B  
BOULDER, CO 80301-5318

**Certificate Number:** 0095520

**Effective Date:** May 04, 2005

**Date of Issuance:** February 24, 2022

**For Office Use Only:**

**20220224085617518**

DOC #8

**EEOAA EVIDENCE**

Equal Employment Opportunity/Affirmative Action  
Goods, Professional Services & General Service Projects

**EEO/AA Evidence**

Vendors are required to submit evidence of compliance with N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 in order to be considered a responsible vendor.

**One** of the following must be included with submission:

- Copy of Letter of Federal Approval
- Certificate of Employee Information Report
- Fully Executed Form AA302
- Fully Executed EEO-1 Report

See the guidelines at: [http://www.state.nj.us/treasury/contract\\_compliance/pdf/pa.pdf](http://www.state.nj.us/treasury/contract_compliance/pdf/pa.pdf) for further information.

I certify that my bid package includes the required evidence per the above list and State website.

Name: Danna Coapland

Title: Vice President, Finance

Signature: 

Date: March 30, 2022



## AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

The GEO Group is an equal opportunity employer.

GEO will recruit, hire, train, promote and ensure that all other personnel actions are administered, without regard to race, color, religion, national origin, sex, sexual orientation, gender identity, marital status, genetics, protected veteran status, and disability, or other category protected by law, and we will ensure that all employment decisions are based only on valid job requirements.

As a federal government contractor, it is GEO's policy to take affirmative action to employ and advance in employment minorities, females, protected veterans and individuals with disabilities. GEO will also provide reasonable accommodation to known physical or mental limitations of an otherwise qualified employee or applicant for employment, unless the accommodation would impose undue hardship on the operation of our business.

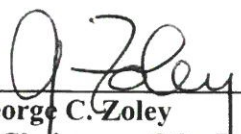
As Executive Chairman of the Board and Chief Executive Officer, we support our company's affirmative action program.


In addition, employees and applicants shall not be subjected to harassment, intimidation, threats, coercion or discrimination because they have engaged in or may engage in any of the following activities: (1) filing a complaint; (2) assisting or participating in an investigation, compliance evaluation, hearing, or any other activity related to the administration of the affirmative action provisions of any Federal, State or local law requiring equal opportunity for individuals with disabilities or protected veterans; (3) opposing any act or practice made unlawful by any Federal, State or local law requiring equal opportunity for individuals with disabilities or protected veterans; or (4) exercising any other right protected by law.

Our affirmative action program contains an audit and reporting system which enables us to measure the effectiveness of our program, indicate any need for remedial action, determine the degree to which our objectives have been attained, determine whether protected veterans and individuals with disabilities had had the opportunity to participate in company-sponsored activities, measure our compliance with the program's specific obligations, and document actions taken to comply with these obligations.

I have delegated responsibility for implementing our affirmative action program to Thomas Arntz, Director of Recruitment.

Employees and applicants may review the non-confidential portions of the affirmative action plans during regular business hours. Please contact Human Resources during normal business hours to review the affirmative action plan.

  
\_\_\_\_\_  
George C. Zoley  
Executive Chairman of the Board

  
\_\_\_\_\_  
Jose Gordo  
Chief Executive Officer

2-9-22  
Date

DOC #9  
MCBRIDE-PRINCIPLES



STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY

33 WEST STATE STREET, P.O. BOX 230  
TRENTON, NEW JERSEY 08625-0230

MACBRIDE PRINCIPALS FORM

BID SOLICITATION #: 2022118

VENDOR/BIDDER: BI Incorporated

VENDOR'S/BIDDER'S REQUIREMENT  
TO PROVIDE A CERTIFICATION IN COMPLIANCE WITH THE MACBRIDE PRINCIPALS  
AND NORTHERN IRELAND ACT OF 1989

Pursuant to Public Law 1995, c. 134, a responsible Vendor/Bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, must complete the certification below by checking one of the two options listed below and signing where indicated. If a Vendor/Bidder that would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Director may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another Vendor/Bidder that has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Director finds contractors to be in violation of the principals that are the subject of this law, he/she shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, on behalf the Vendor/Bidder, certify pursuant to N.J.S.A. 52:34-12.2 that:

**CHECK THE APPROPRIATE BOX**

The Vendor/Bidder has no business operations in Northern Ireland; or

**OR**

The Vendor/Bidder will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principals of nondiscrimination in employment as set forth in section 2 of P.L. 1987, c. 177 (N.J.S.A. 52:18A-89.5) and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of its compliance with those principals.

**CERTIFICATION**

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor/Bidder, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor/Bidder is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I will be subject to criminal prosecution under the law, and it will constitute a material breach of **my** agreement(s) with the State, permitting the State to declare any contract(s) resulting from this certification to be void and unenforceable.

Signature

March 30, 2022

Date

Danna Coapland, Vice President, Finance  
Print Name and Title