



Josh Stein
Governor

Leslie Cooley Dismukes
Secretary

MEMORANDUM

TO: Joint Legislative Oversight Committee on Justice and Public Safety

FROM: Leslie Cooley Dismukes, Secretary *LCD*

RE: Report on Expenditure of Funds Appropriated for Prison Technology Upgrades

DATE: October 1, 2025

Pursuant to S.L. 2021- 180, Section 19C.11, as amended by S.L. 2023-134, Section 19B.5, the Department of Adult Correction shall, in consultation with the vendor, report on the expenditure of funds appropriated for prison technology upgrade to the Joint Legislative Oversight Committee on Justice and Public Safety no later than October 1 of each year in which the funds are expended. A final report shall be submitted no later than May 1 of the following year if funds are exhausted after a report has already been submitted for that year.

The report shall include, at a minimum, each of the following:

- (1) A time line of the deployment of products and services.
- (2) An explanation of the implementation of the awarded contract.
- (3) An accounting of the extent to which tracking and blocking technologies were able to successfully track and block phones and wireless devices in State prisons.
- (4) An accounting of the extent to which the private long-term evolution (LTE) network met the needs of State prisons.
- (5) An accounting of the extent to which the virtual bank accounts of inmates were utilized by inmates, their friends, and their family members.

Report attached.

MAILING ADDRESS:
5201 Mail Service Center
Raleigh, NC 27699-5201



FROM THE OFFICE OF:
Leslie Cooley Dismukes
Secretary
Telephone: 919-733-2126
<https://dac.nc.gov>

Pursuant to S.L. 2023-134, Section 19B.5.(b), the Department of Adult Correction, in consultation with contracted vendors, submits this annual report on the use of awarded funds. The report provides required information on deployment timelines, contract implementation, tracking and blocking effectiveness, budget vs. expenditures, and operational challenges.

1. Explanation of the Implementation of the Awarded Contract

The Department has advanced multiple technology initiatives under the awarded contracts to strengthen security in State prisons. Implementation activities varied by solution, ranging from full infrastructure deployments of Managed Access technology to vendor-provided mobile scanning services. The following section outlines how each contract was implemented, including installation phases for Managed Access Systems and the operational delivery of mobile cellular scans.

a. Managed Access Technology - Implementation of Managed Access Systems followed the standard sequence of engineering surveys, site preparation, equipment installation, and vendor-led testing.

- Hybrid Managed Access (HMA): Deployed under contract with ShawnTech, the system utilizes a mobile head end unit that rotates among Richmond, Tabor, and Roanoke River CIs. A site becomes active only when the head end is present.
- Managed Access (MAS): Awarded to Securus for Bertie and Pasquotank CIs. Implementation began in November 2023 and included engineering, electrical and fiber installation, antenna deployment, and vendor calibration.

b. Mobile Cellular Scans - This service, also provided by ShawnTech, required no construction or hardware installation.

- In 2024, ShawnTech completed 90 mobile cellular scans, with an additional 24 scheduled for 2025.

2. Timeline of Deployment of Products and Services

The deployment of technology initiatives under the awarded contracts has proceeded on distinct timelines, reflecting the differing requirements of infrastructure-based systems, vendor-delivered services, and financial platforms. Hybrid Managed Access and Managed Access projects required extended lead times for engineering, site preparation, and installation, while mobile scanning services and virtual banking operations began shortly after contract execution. The schedules below summarize deployment by category:

Hybrid Managed Access (HMA – ShawnTech)

- Roanoke River CI: Construction start August 5, 2024; completion October 4, 2024.
- Tabor CI: Construction start October 7, 2024; completion December 6, 2024.
- Roanoke River CI: Construction start December 16, 2024; completion February 5, 2025.
- Scotland CI: Construction start date has not yet been determined.

Managed Access (MAS – Securus)

- Bertie CI: Construction start November 20, 2023; completion August 27, 2025.
- Pasquotank CI: Construction start November 20, 2023; projected completion October 20, 2025.

Mobile Cellular Scans (ShawnTech)

- Service initiated in 2023 immediately following contract execution.

Virtual Bank Accounts (ViaPath)

- Awarded at no cost to DAC; banking services launched August 1, 2023.

3. Tracking and Blocking Effectiveness

A central measure of these technological initiatives is their effectiveness in detecting and blocking contraband wireless activity within correctional facilities. Effectiveness is tracked through Cellular Denial of Service (CDOS) events generated by Hybrid Managed Access systems and Mobile Cellular Scans, as well as by communications blocked through the Managed Access System at Bertie CI. The results to date are summarized below:

Hybrid Managed Access (HMA – ShawnTech)

“CDOS” refers to Cellular Denial of Service events, which represent successful denials of service to unauthorized devices. Using both HMA and Mobile Cellular Scans, ShawnTech analysts documented the following:

- 2023: 284 CDOS
- 2024: 146 CDOS
- 2025 (to date): 339 CDOS
- Total: 769 devices successfully identified and denied service.

Managed Access (MAS – Bertie CI, Securus)

Weekly reports reflect ongoing blocking activity at Bertie CI following system implementation:

- Aug 28 – Sept 3, 2025: 9 communications blocked
- Sept 4 – Sept 10, 2025: 53 communications blocked
- Sept 11 – Sept 17, 2025: 26 communications blocked
- Sept 18 – Sept 24, 2025: 20 communications blocked
- Total: 108 unauthorized communications successfully blocked.

4. Expenditure Accounting

In accordance with the directive of the General Assembly, this report includes an accounting of the funds awarded and the expenditures incurred under the prison technology contracts. The Department has directed these funds toward infrastructure supporting Hybrid Managed Access sites and the construction and installation of Managed Access Systems. The following summary provides award amounts and expenditures to date for each initiative.

Hybrid Managed Access and Mobile Cellular Scans (ShawnTech)

- Total Award: \$12,828,150.15
- Total Expensed to date: \$12,228,151.67
- Funds have supported infrastructure development at Richmond, Tabor, and Roanoke River CIs, as well as the operation and mobility of the head end unit.

Managed Access (Securus)

- Total Award: \$8,158,467.00
- Total Expensed to date: \$4,483,190.00
- Expenditures to date include construction, fiber installation, electrical work, and antenna deployment. Final costs will be incurred upon system commissioning and acceptance.

Virtual Bank Account (ViaPath) – The Virtual Bank Account was provided to DAC at no cost.

5. Long Term Evolution Network

The Department reviewed the implementation of products and services authorized under the Request for Proposals and confirms that no contract was awarded for a private long-term evolution (LTE) network.

6. Virtual Bank Account

ViaPath Banking Services started on August 1st, 2023, and is continuing at this time. From August 01, 2024, to July 31, 2025, ViaPath reported the following statistics for total payments by portal were as follows: 58% - Mobile App, 35% - Website, 4% - Telephone, 1% - Money Order and 2% - Western Union. ViaPath reported that \$36,848,379 worth of deposits to offender's accounts were processed during this time.