

Management & Training Corporation (MTC)

Rap Sheet

A privately-held company, MTC operates 20 prisons in seven states, with a capacity of 26,000 prisoners. It does not publicly release financial data. It began in 1981 operating federal Job Corps centers. MTC operates two prisons under contract with the Arizona Department of Corrections, a medium/minimum security facility in Kingman and a minimum-security facility at Marana.

MTC's Deadly Record in Arizona

- In late July 2010, three prisoners were able to get **past locked doors, avoid surveillance cameras, deter ground and fence sensors, and went unnoticed by guard towers and ground patrol while they cut a hole in some perimeter fencing.** This may be in part because reports show that **guards had learned to ignore alarms** because the system was so faulty and false alarms so common. ("Prison chief says that state didn't detect prison flaws," *Arizona Republic*, 8/19/10).
- After the MTC employees noticed the missing inmates during a headcount they sounded the alarm but **it took them over an hour to notify the Mohave County Sheriff's Office** that these dangerous men were at large, and **the public was not notified until the next day.** ("Arizona cons' escape raises many questions," *Arizona Republic*, 8/3/10).
- Casslyn Welch, the cousin and finance of one of the inmates, was able to assist the three men in their escape by **tossing wire cutters over the perimeter fence.** Welch had previously been detained for **smuggling heroin into the prison**, she admitted to smuggling on three prior occasions. Welch was not arrested on these charges because she had agreed to act as an informant. ("Fugitives accomplice was an informant before escape," *AP*, 8/13/10).
- **A 61 year old couple from Oklahoma who were found dead and badly burned** in their camper in New Mexico are thought to have been murdered by two of the fugitives from MTC's prison while on the run from police. ("Arizona prison escapees links to N.M. killings," *AP*, 8/7/10).
- The Oklahoma couple's survivors are **suuing the state and the company for \$40 million.** The family's attorney noted that, "the state and MTC had notice of these problems," and charged that **MTC was a "private prison company that was cutting corners to make profits."** ("Family of couple killed by Arizona inmates files lawsuit against state," *Arizona Republic*, 3/18/11).
- After the Kingman escapes, a security audit of Arizona's private prisons revealed that MTC's Marana prison had **broken security cameras, swamp coolers that didn't work, insecure doors and windows on housing units, inadequate perimeter lighting, and broken control-room panels that had been broken for several months and were not fixed "due to fiscal reasons"** ("2010 escape at Kingman an issue for MTC's bid," *Arizona Republic*, 8/11/11).
- When the state went back **seven months later, MTC still hadn't fixed** the control room panel, security cameras, or the doors and windows, despite promises that they would ("2010 escape at Kingman an issue for MTC's bid," *Arizona Republic*, 8/11/11).
- MTC has been **fined heavily by the state for failing to fill staff vacancies** in its Arizona prisons. The company was fined **\$843,964 for vacancies at Kingman and \$53,885 for vacancies at Marana** ("2010 escape at Kingman an issue for MTC's bid," *Arizona Republic*, 8/11/11).
- After the escapes, MTC dragged its feet on fixing security problems at Kingman. When the state pulled its prisoners from the unit and withheld payment as a consequence, **MTC threatened to sue the state for \$10 million.** Eventually, the state caved in and **paid the company \$3 million for empty beds** ("Arizona prison oversight lacking for private facilities," *Arizona Republic*, 8/7/11).

MTC's Broken Promises

- **MTC left a Texas county high and dry when they pulled out of the contract to run a juvenile facility because they were not making enough money.** The county **lost \$837,000 in just a few months** after taking over the facility. In addition, the county took a hit on its credit rating. County Commissioner Charles Baskett complained, “had we terminated our lease and not attempted to operate, both **Standard and Poors and Moody threatened to lower our bond rating to BBB...**They (County Commissioners Board) said they were worried about losing our bond rating, and that’s why we should continue to operate the facility. We lost it (bond rating) anyway.” (“Defunct juvenile jail draws debate,” *Hood County News*, 2/1/06).
- An investigation by the US Dept. of Labor found that **MTC had not been paying its employees properly over a two year period** between October 2003 and September 2005. The company has paid **\$486,000 in back wages to just over 260 current and former guards** (“Utah company pays back wages to security employees,” *KSL Utah*, 2/1/07).
- MTC just **laid off 120 employees** in its immigration detention center in Willacy County, TX. Immigration and Custom Enforcement (ICE) renegotiated its contract with the company because the **detention center was half empty and MTC was not paying guards the level of wages required by ICE.** Between 2006 and 2010, **guards were paid only \$8 or \$9 an hour when they were supposed to be paid \$14.50.** MTC has been **dragging its feet about paying the back pay amounts** and also owes the former employees for the pay difference as well as amounts due from 401k plans and other funds (“New ICE plan may benefit Willacy economy,” 6/1/11).

What a Riot!

- As many as **150 inmates were involved in a brawl** at the Marana Community Correctional Treatment Facility. The fight lasted about an hour before a **20 member tactical unit helped to break it up.** 12 inmates and an MTC employee were injured. (“Arizona prison brawl involved up to 150 inmates, leaves 13 people hurt,” *AP*, 2/11/10).
- Seven inmates were injured and taken to the hospital from the Arizona State Prison in Kingman during a fight that lasted for 45 minutes. **The fight was thought to have been race related.** (“Seven injured in fight, none serious,” *Kingman Daily Miner*, 6/2/10).
- 15 inmates at MTC’s Lake Erie Correctional Institution were moved to solitary confinement units after **a fight broke out in one of the housing units.** One inmate was injured and taken to the hospital. (“Prison, OHP continue to investigate big fight,” *Star Beacon*, 8/27/10).
- After a riot at MTC’s Eagle Mountain prison in which **two inmates were beaten to death,** a 2003 state of California investigation determined that **lack of staffing and training** were to blame. **Dozens of officers from nearby state prisons had to be called** to help end the 90-minute riot (“2010 escape at Kingman an issue for MTC’s bid,” *Arizona Republic*, 8/11/11).
- The state of Ohio is investigating a fight at an MTC prison that resulted in **15 inmates punished with solitary confinement.** One prisoner was treated at a local hospital for injuries and returned to prison the same day (“Ohio puts 15 inmates in solitary amid investigation of fight at private prison near Lake Erie,” *Associated Press*, 8/2/10).

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