



Maricopa County

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To: Maricopa County Detention Billing Agencies *SSS*
From: Shelby L. Scharbach, Assistant County Manager/CFO
Date: December 3, 2019
Subject: Preliminary Jail Per Diem Billing Rates for FY2021

The purpose of this memorandum is to provide the **preliminary** Jail Per Diem Billing Rates for FY2021. The following table illustrates the preliminary Jail Per Diem Rates that will be effective July 1, 2020.

Jail Per Diem Rates	FY 2021	FY 2020	Difference	Percent
Housing Rate	\$ 102.55	\$ 105.15	\$ (2.60)	-2.5%
Booking Rate	\$ 396.98	\$ 366.51	\$ 30.48	8.3%

The FY2021 Jail Per Diem Rates were developed as part of a comprehensive jail per diem rate study performed by MGT Consulting (MGT). MGT is the consulting company that has been used in prior years to review the methodology and rate development used in calculating the booking and housing rates.

The FY2021 Jail Per Diem rates consist of housing and booking rates based on the Maricopa County Sheriff's Office (MCSO) and Correctional Health Services (CHS) FY2020 budgeted direct and indirect costs and the Central Service Cost Allocation (CSCA) charges which include technology infrastructure, depreciation, facility maintenance, and other allocated costs. MCSO and CHS budgeted costs used to derive the housing and booking rates decreased by approximately \$2.2 million in total, or 0.7%, compared to the FY2020 rates. MCSO had a decrease in housing costs of \$8.0 million and an increase in booking costs of \$2.6 million, while CHS had an increase in housing costs and booking costs of \$2.7 million and \$ 523.7 thousand, respectively.

Budgeted costs for the development of the FY2021 rate totaled approximately \$321.0 million. Of this amount, approximately 92.6% is absorbed by Maricopa County and the remaining 7.4%, or \$23.9 million, is budgeted as reimbursement costs from the booking agencies for inmate detention.

The following provides an explanation for the booking rate increase and housing rate decrease. The explanations are independent variables, which collectively impact the rates.

- Both housing and bookings days increased by approximately 0.6%. This component of the rate development resulted in a lower housing and booking rate. As housing and booking days are used in the denominator, any increase in days will effectively lower the rates.
- MGT recommended minimal changes for allocating depreciation expense and staff assignment costs between the booking and housing functions. This component of the rate development resulted in a higher booking rate and a lower housing rate.
- Budgeted personnel costs increased for those eligible for annual pay-for-performance salary adjustments. This component of the rate development resulted in an increase to both the housing and booking rates.

It is anticipated that the MCSO Intake Transfer Release (ITR) facility will open in April 2020. While the budgeted cost associated with the ITR facility were not included in the FY2021 housing and booking rates, it is anticipated that ITR budgeted cost will be used for developing the FY2022 rates.

Questions regarding Detention Facilities, please contact Dan Campion, MCSO Budget and Finance Administrator, at (602) 876-3241 or via email to: D.Campion@MCSO.maricopa.gov.

Questions regarding Correctional Health Services, please contact Cody Johnson, Finance Manager, at (602) 506-1070 or via email to: Cody.Johnson@Maricopa.gov.

Maricopa County will provide the final jail per diem rates by February 1, 2020, and will be published at the following location: <https://www.maricopa.gov/5167/Financial-Reports>.

If you have any questions, please send an email to Finance Internet Feedback: FIN.FinanceInternetFeedback@maricopa.gov

cc: City/Town Manager