



Maricopa County

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To: Maricopa County Detention Billing Agencies
From: Lee Ann Bohn, Assistant County Manager
Date: February 1, 2021
Subject: Final Jail Per Diem Billing Rates for FY2022

The purpose of this memorandum is to provide the **final** Jail Per Diem Billing Rates for FY2022. The following table illustrates the final Jail Per Diem Rates that will be effective July 1, 2021.

Jail Per Diem Rates	FY 2022 Gross Rate	CARES Act Credit	FY 2022 Net Rate	FY 2021 Rate	Difference	Percent Change
Housing Rates	\$134.20	(\$38.76)	\$95.44	\$102.55	(\$7.11)	(6.9%)
Booking Rates	\$611.84	(\$169.48)	\$442.36	\$396.98	\$45.38	11.4%

The FY2022 Jail Per Diem Rates were developed as part of a comprehensive jail per diem rate study performed by MGT Consulting (MGT). MGT is a recognized expert for preparing cost allocation models and has been used in prior years to review the methodology and rate development used in calculating the Jail Per Diem rates.

The FY2022 Jail Per Diem rates consist of housing and booking rates based on the Maricopa County Sheriff's Office (MCSO) and Correctional Health Services (CHS) FY2021 budgeted direct and indirect costs and the Central Service Cost Allocation (CSCA) charges, which include technology infrastructure, depreciation, facility maintenance, and other allocated costs. The rates are then derived by dividing the budgeted costs by the units of service, man days or bookings for the housing rate and booking rate, respectively.

For the FY2022 rates, Maricopa County provided credits to both the housing and booking rates to account for funding received as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act for necessary expenditures incurred due to the public health emergency with respect to COVID-19. Maricopa County utilized \$95.4 million in CARES Act funding for salaries, benefits and other payroll costs related to MCSO and CHS detention related activities. As these costs represent reimbursement of budgeted expenditures used as part of the jail rate calculations, a credit to the rates was calculated to pass the CARES Act assistance onto the utilizing jurisdictions. The table above demonstrates the base rates as calculated by MGT and the credit applied as a result of the CARES Act to derive the net FY2022 Jail Per Diem rates.

Budgeted costs for the development of the FY2022 rate totaled approximately \$332.1 million, an increase of \$11.1 million or 3.5% from the prior year. Approximately 97% of these costs are absorbed by Maricopa County while 3% is

estimated to be recovered through Jail Per Diem charges to the utilizing jurisdictions. Of the budgeted costs, MCSO had an increase in housing costs and booking costs of \$5.2 million or 2.4% and \$3.9 million or 13.7%, respectively. CHS had an increase in housing costs and booking costs of \$1.0 million or 1.6% and \$988.7 thousand or 9.8%, respectively. The following provides additional explanation of these changes:

- Retirement benefits costs increased as a result of a 3.9% increase in the employer contribution rate for the Corrections Officers Retirement Plan.
- Personnel costs increased as a result of reduced vacancies and additional Detention Officer staffing to support a direct supervision model for the Intake Transfer and Release facility, which opened in November 2020.
- Budgeted personnel costs increased for those eligible for annual pay-for-performance salary adjustments.

In addition, a significant contributor to the increase in the FY2022 gross booking and housing rates is the year-over-year decline in bookings and man days (housing days). As the rates are derived by dividing budgeted costs by the units of service (bookings or man days), any reduction in these factors contributes to a higher rate. The number of bookings decreased from 96,064 to 70,241 or (26.9%). In addition, custody man days also decreased from 2,853,941 to 2,226,799 or (21.97%). These decreases are believed to be a result of several factors including the impact of the COVID-19 pandemic on the jail population. Although the decline in bookings and man days resulted in increases in the rates, Maricopa County passed on the CARES Act credits to the utilizing jurisdictions to help minimize the impact that decreased utilization had on 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 publish the final jail per diem rates 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