The GEO Group has provided the following comment submitted by David Byrne at 500 Cheyney Rd. Thornton, PA 19373.

As a professional management company for the George W. Hill Correctional Facility for almost 20 years, GEO has serious concerns about the recent cost-analysis study and recommendations that will, if acted upon, jeopardize the safety of inmates and staff – while significantly impacting the residents of Delaware County.

Overall, the study reveals that the county taking over the operation of the Jail:

- Won't save money
- Won't make the facility safer
- Won't improve the lives of inmates

The information we received through a briefing with the Jail Oversight Board indicates the study uses high-level figures to estimate how staffing cuts can reduce costs, but the devil is in the details:

Not Apples-to-Apples Comparison:

The study fails to provide a complete picture of the actual costs the county will incur if it assumes operation of the Jail. Instead, it produces assumptions to generate savings that fail to consider the true costs the county will incur if it takes over the Jail operations.

- The \$9 million in transition costs (equipment and additional administrative staff) are presented as one-time costs, instead of recognizing that many of these costs are recurring costs, such as management oversight, equipment replacement, etc.
- The analysis used staff counts that fail to reflect actual staffing needs for the facility, which are positions and services GEO provides to support the facility but are not located at the facility, including compliance, oversight and subject matter experts.
- It was mentioned that the K9 Unit should be eliminated to achieve cost savings. If the county wanted to eliminate this unit, the county could modify GEO's contract to achieve this cost saving. It's not an actual savings to the county since the canine unit expense is included in the costs of GEO's contract but not included in the county's proposed operating budget.
- The analysis is supposed to be a feasibility study, but it doesn't thoroughly examine all transition costs as well as recurring expenses that will be incurred by the county.

Costs Are Not the Only Factor:

Operational performance, inmate and staff safety and accountability among other concerns should also be considered when conducting this feasibility study. These important elements would have shown that comparison data between Delaware County and statewide data for all 67 county jails demonstrates the GW Hill facility is safer than government-operated facilities, including fewer inmate deaths, use of force, and assaults on inmates. Additional studies have shown that inmates at the government-operated county prisons were nearly twice as likely to be subjected to use of force, and three times more likely to experience a physical use of force from corrections staff than inmates in Delaware County. All information is publicly available through www.delcoprisonfacts.com

Job Cuts:

The current contract with the county stipulates the staffing level required to safely manage the facility. The study suggests two scenarios that eliminate anywhere from 50 to more than 100 positions, jeopardizing the level of safety and care needed at the facility. Under these scenarios, the county would be willing to put public safety at risk to try and save a few dollars.

Along with reducing staff, the study does not include additional necessary costs associated with equipment, support staff and capital improvements.

- Every month the county raises the issue there arent enough staff at the facility but yet how does it expect to manage the facility with potentially 25% less staff?
- Has the county presented the staff cuts to the unions and what is their response to these significant job losses?
- Why didn't the study include a detailed staffing review now rather than wait until sometime in the future to engage in another study?

Equipment Costs Not Factored:

The annual operating costs do not include the transition costs. This is a major cost component the county will need to consider, including security equipment, vehicles and IT equipment. At a minimum, this will cost the county an additional \$8 million that was not factored into the overall cost scenarios.

- How can the county determine actual cost savings if it doesn't factor in the costs of replacement equipment?

County Lacks Necessary Support Staff:

The county does not have the necessary staff to provide additional support at the jail, which are estimated to be more than \$1 million.

- If the county cannot support these functions now, how does it plan to create a sustainable workforce to provide the necessary support that is currently provided by the management company?

Capital Improvements Absent from Total Costs:

There is at least \$14 million in needed capital facility repairs that GEO contemplated when entering into the current contract with Delaware County. In the terms of the contract, GEO provided a no-interest loan to the county to cover these necessary repairs.

- The county was offered a no-interest loan to make all necessary capital improvements as part of the current management contract. How does it plan to pay for the necessary repair costs and what additional interest payments will be passed on to Delco's taxpayers?

Questionable Outsourcing to Multiple Private Companies:

Some Delco leaders and advocates have pushed to de-privatize the jail because they felt no one should profit from its operation. However, the county now wants to outsource critical services to multiple private for-profit companies, including inmate health care, food service, commissary, maintenance, etc, instead of just utilizing one professional management firm. This multi-privatization effort will require significant administrative oversight.

- How can the county justify the costs for multiple contracts with private forprofit entities without having any bids yet? The county is purely speculating as to what the costs would be.
- Who will oversee the functions at the facility when the subject matter experts are removed, e.g. specialized programs, administrative support, management services, etc?

Inmate Health Care:

Most, if not nearly all, private inmate health care providers today do not fully indemnify their government clients against the full cost of inmate health care. Most work on a "cost-plus" arrangement, where the actual inmate health care costs are passed through to the client, with the company charging an add-on percentage for overheads & profit. Under the county's current contract with GEO, all inmate health care costs are covered by GEO, without limit or contribution from the county. Without meaningful cost indemnification, the county would be exposed to enormous unexpected medical costs for inmates who require serious medical intervention.

- How would the county deal with any unexpected and unbudgeted inmate health care costs that are either passed on directly to the county, or for which the county would be responsible above an agreed cap?
- Why didn't the county include the fact that no private inmate health care contractor will agree to such an arrangement, that most work on a cost-plus basis, where all inmate health care costs are passed on to the county, with an additional percentage charged for Contractor overheads and profits, or on a per inmate cap, where any costs incurred above the cap are to be paid entirely by the county?

Liability Costs Ignored:

Currently, GEO fully indemnifies and holds the county and all county officials harmless from any and all liability, claims or lawsuits related to or arising from the operation of the Jail. If the county assumes operation of the Jail, it will be responsible for any and all litigation costs and possible judgments that could be in the tens of millions of dollars.

- Did the county consider the unlimited legal exposure it will be taking on when it is solely responsible for the costs of defending and paying for judgments rendered against the county arising from inmate claims and litigation?

Reducing Recidivism at GW Hill:

GEO staff at GW Hill are subject matter experts in their fields and provide high quality programming to support inmates through 25 specialized programs that are not provided at this level anywhere else in Pennsylvania, including drug and alcohol abuse counseling, psychological healthcare, education (GED), life skills training, parenting, anger management, health and wellness, job training, and many others.

- How will the county maintain the same level of programs that serve almost 50,000 participants annually with a reduced workforce, no subject matter experts, and without industry leading curriculums and guidance?
- How does the county expect to reduce recidivism without being able to provide the same level of programming that currently exists – along with helping those fight opioid addictions, providing GEDs and job training skills? Have the costs associated with increased recidivism been considered in the county's cost-savings analysis?

Reducing Jail Population:

The county wants to implement prison reduction policies through the judicial branch that have no connection to whether the facility is privately or publicly-managed.

- Has the county studied other jurisdictions that pursued similar policies to reduce the prison population and the impact of these policies?

While GEO was not permitted to participate in today's presentation, it looks forward to presenting critical information not included in this study at the next JOB meeting on April 13, 2021.