



Stronger Counties. Stronger Ohio.

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FEDERAL CORONAVIRUS RELIEF FUNDS

House Bill 481, signed by Governor DeWine on June 19, 2020, directs the Ohio Office of Budget and Management (OBM) to disburse \$350 million in Coronavirus Relief Funds to Ohio political subdivisions. These CRF resources cannot be used for revenue replacement. Eligible expenses are determined by the U.S. Department of the Treasury's interpretations of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and state-level oversight from OBM and the Auditor of State. Links to guidance from these federal and state agencies are included below.

In developing strategies for the uses of the CRF resources, county leadership will need to evaluate the unique circumstances and priorities within their county. County leaders are encouraged to consult broadly with public, private, and non-profit organizations in the community, and with other county elected officials.

It is recommended that counties evaluate their plans and expected uses of CRF resources in open, public meetings. County commissions and councils will need to adopt a resolution that makes an appropriation from a special revenue fund and identifies the selected strategies for the use of CRF resources. Documentation for expenditures will need to be maintained for five years.

Counties can use CRF resources to address immediate county needs for responding to the pandemic, and also to assist organizations and residents in the county with their responses to the public health challenges of the COVID-19 pandemic and to the economic challenges caused by business interruptions. Some of these expenses may have already been incurred.

Examples of the county's own needs include cleaning and sanitation supplies, personal protective equipment, and implementing physical barriers to improve social distancing measures. Other COVID-19 expenses reasonably necessary to the function of government and to facilitate compliance with public health orders are eligible expenses.

Generally, personnel expenses must be for employees substantially dedicated to responding to or mitigating the effects of COVID-19. Treasury guidance has provided some flexibility on this issue by stating that local governments may presume, for the sake of administrative convenience, that *public safety and public health* personnel are substantially dedicated in this manner unless the chief executive determines that specific circumstances indicate otherwise.



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Both OBM and AOS guidance make it clear that counties must use a careful approach to personnel expenses. It is recommended that counties adopt a budget resolution that identifies specific job positions along with their specific duties that meet the substantially dedicated criteria while maintaining detailed documentation of changes in protocols and procedures. Other personnel-related expenses include unemployment benefits, hazard pay, and workers' compensation for first responders. Coverage for personnel expenses has been a frequent topic of discussion, and counties are advised to consult with the county prosecutor and relevant state agencies on fact-specific situations.

Keep in mind that counties are permitted to help organizations and residents to assist with public health needs and the economic response to COVID-19. For example, the county emergency management agency may have incurred additional expenses that are not covered by other federal resources. CRF resources can be used to meet the 25 percent FEMA Stafford Act local match requirement. The EMA may also have additional information about increased costs experienced by non-profits, such as the need to provide meals to elderly individuals at home rather than in congregate settings. The Chamber of Commerce and other business organizations may have suggestions about how to help small business recover and cope with the challenges of a new environment.

Many organizations are receiving federal funds from other sources, so careful planning is needed to allocate expenses to the most appropriate funding stream. A memorandum of understanding or grant agreement with the Board of County Commissioners will help to facilitate the coordination of financial resources.

Strategies may change based on available resources and needs associated with the overall response to the pandemic. Having a flexible approach is important. Counties will need to continually evaluate their priorities in light of changing circumstances.

Counties are advised to treat each CRF funded activity as if it were its own unique federal grant program. Resolutions should be adopted by the Board of County Commissioners, approving program guidelines and budgets along with a declaration of necessity which states the program is necessary due to the public health emergency with respect to the COVID-19 pandemic and is being done in compliance with the provisions of Section 5001 of the federal Coronavirus Aid, Relief and Economic Security Act. Record keeping for each program should be kept with a level of detail that supports Uniform Guidance requirements for federal funding. This includes time and effort details for employees (including those deemed substantially dedicated), receipts for COVID-19 related expenditures, and applications and rationale for assistance awards to citizens and businesses affected by COVID-19.

The attached chart provides a non-exhaustive list of examples of eligible CRF expenditures as explained in federal and state guidance. As more information is known, it will be shared with counties.

EXPENSE CATEGORY	CORONAVIRUS RELIEF FUND EXAMPLES OF ELIGIBLE EXPENSES
Medical	<ul style="list-style-type: none"> - COVID-19 testing - Construction or retrofitting of overflow medical facilities - Purchase of medical equipment - Costs incurred by public or private hospitals or other providers due to COVID-19 (but not for revenue replacement) - Telemedicine - Emergency medical transportation
Public Health	<ul style="list-style-type: none"> - PPE or sanitizing products for the county's use or for distribution to other organizations, e.g. nursing homes, county fairs - Communications or public service announcements - Hiring contact tracers or other staff at health department - Expenses to quarantine individuals - Retrofitting county buildings to ensure social distancing or other public health measures - Improving telework capabilities for public employees - Assisting schools with costs of technology for remote learning
FEMA	<ul style="list-style-type: none"> - Funds may be used to meet the 25% local match requirement in the federal Stafford Act
Social Services	<ul style="list-style-type: none"> - Meeting increased needs for food or other basic necessities for elderly or unemployed - Temporary assistance to avoid eviction and prevent homelessness - Avoiding utility shutoffs (program must be based on assessment of individual or family needs, not public utility revenue replacement) - Assistance with enrollment in government benefit program - Note: nonprofits may be used to distribute assistance
County Payroll and Overtime	<ul style="list-style-type: none"> - Salary and benefits and overtime of employees who are <i>substantially dedicated</i> to responding to or mitigating COVID-19; <ul style="list-style-type: none"> o Public safety and public health employees are <i>presumed to be substantially dedicated</i> under Treasury guidelines o Focus budget resolution on front-line employees whose procedures or duties have changed, and document changes such as increased sanitation inside jail - Employees who could have been furloughed but were repurposed to respond to COVID-19, including those reassigned to a community organization
Other Personnel Costs	<ul style="list-style-type: none"> - Unemployment costs of county due to layoffs, including when county is a base period employer but did not cause layoff - Hazard pay for duty or work involving physical hardship for workers who are substantially dedicated to responding to COVID-19 - Increased workers' compensation costs for first responders - Retraining employees to work from home or to fulfill new job duties related to COVID-19

	<ul style="list-style-type: none"> - Leave related to the Families First Coronavirus Response Act or costs due to unplanned administrative leave for employees who could not telework
<p>Economic Impacts</p>	<ul style="list-style-type: none"> - Small business grant programs: a “stay-at-home” order is not required but program administrator must perform an individualized assessment of business needs - Recovery planning projects - Publicizing the reopening of a convention center and steps taken to ensure a safe experience - Note: Do not allow recipients to apply funds to property taxes or other tax obligations
<p>For more information, please consult: CCAO County Advisory Bulletin 2020-15 (House Bill 481): https://ccao.org/wp-content/uploads/CAB-HB-481-07132020.pdf</p> <p>US Treasury Guidance and FAQs: https://home.treasury.gov/policy-issues/cares/state-and-local-governments</p> <p>Ohio Office of Budget and Management Guidance and FAQs: https://grants.ohio.gov/fundingopportunities.aspx</p> <p>Ohio Auditor of State FAQs (see Coronavirus Relief Fund section): https://www.ohioauditor.gov/resources/covid19/Coronavirus_new_FAQ_final.pdf</p>	

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