

**County of Summit**  
**COVID-19 Local Government Payroll Support Grant Program**  
**Guidelines**

The Coronavirus Disease 2019 (COVID-19) has had a significant impact on the health and wellbeing of the residents of Summit County and has adversely affected the economy and employment for residents, local businesses, non-profits and local governments. The County of Summit COVID-19 Local Government Payroll Support Grant Program (the “Program”) is intended to provide Summit County political subdivisions with payroll funding to support employees substantially dedicated to mitigating or responding to the COVID-19 public health emergency and to help ensure such employees are not furloughed or otherwise laid off. Funding for the Program is derived from a portion of Summit County’s direct payment allocation of funds received from the U.S. Treasury, under Section 5001 of the Federal CARES Act.

Under the Program, grant funds shall be used to fund payroll and benefit costs associated with public health and public safety employees, who have been deemed by the U.S. Treasury Department, as a matter of administrative convenience, as being substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Funding may cover eligible payroll and benefit costs (“Eligible Expenses”) for the period 3/1/2020 to 12/30/2020. In order to comply with the provisions of section 5001 of the federal Coronavirus Aid, Relief and Economic Security Act, the following guidelines must be followed by any participating political subdivision.

**Section 1 – Definitions**

“Eligible expenses” are defined as the cost of wages or salaries and benefits (including health insurance premiums, life insurance premiums, FICA tax and employer pension contributions) of any employee of a political subdivision that is engaged in a public safety or public health related duty. Payments for the purchase of sick, vacation and compensation time and separation pay of any type, along with accompanying benefits, are not eligible expenses.

“Program Allocation Formula” is defined as the County of Summit Undivided Local Government Fund Alternative Method of Apportionment as established under section 5747.53 of the Ohio Revised Code, using population estimates from the U.S. Census Bureau for 2018. For purposes of calculating allocations, the Program Allocation Formula shall include the 2020 first provisional estimate of Local Government Funds, allocations to any Summit County Political Subdivision of Title V CARES Act funds under the 45% provision for local governments, made by the State Ohio and allocations of Title V CARES Act funds from Summit County’s direct payment allocation.

“Political Subdivision” is defined as any city, township or village in the County of Summit as well as the Summit County Combined General Health District.

“Program” is defined as the County of Summit COVID-19 Local Government Payroll Support Grant Program.

“Program Period” is March 1, 2020 through December 30, 2020.

“Public Safety Related Duty” is defined as employment in law enforcement, emergency medical service, fire service, or public health service and in such comparable classifications as “Police Officer”, “Sheriff Deputy”, “Emergency Medical Technician”, “Fire Fighter” (all of these being below the rank of Chief), “Dispatcher”, “Public Safety Communications Technician”, “Public Health Worker” or “Sanitarian”.

“Second-Half Tax Distribution” means the distribution of funds to a Party on the Second-Half Tax Distribution Date pursuant to Section 321.24(F) of the Ohio Revised Code, as amended from time to time.

“Second-Half Tax Distribution Date” means date of the distribution of funds to the various taxing districts in the County with respect to the Second-Half Tax Settlement Date pursuant to Section 321.24(F) of the Ohio Revised Code, as amended from time to time.

“Second-Half Tax Settlement Date” means the date of settlement of real property taxes and assessments pursuant to Section 321.24(C) of the Ohio Revised Code, as amended from time to time, provided such funds shall not include any amounts attributable to general or special assessments or payments in lieu of taxes.

“Special Revenue Fund” is defined as a fund established pursuant to Ohio Revised Code section 5705.10(D) and in accordance with Generally Accepted Government Accounting Standards.

## **Section 2 – Application and Agreement**

Any Political Subdivision wishing to participate in the Program must complete and sign an Application and Agreement, which is attached to these Guidelines as Exhibit A.

The Chief Executive of the Political Subdivision must sign the certification attached to the Application that all employees whose wages or salaries and benefits will be paid with Program funds are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Applications shall include a listing of the classifications of employees for whom eligible expenses will be paid using Program funds. The listing shall include the classification titles, number of employees in the classification and the total amount of the Political Subdivision’s 2020 budget that is allocated to wages and benefits for the employees in each classification.

Applications must be received by August 15, 2020 for Round 1 of funding.

### **Section 3 – Computation of Amount of Funding**

Multiple rounds of funding may be made available. In each round, funds available to a political subdivision will be computed based on the Program Allocation Formula. Additionally, funding may be offered to individual communities for special circumstances, including but not limited to, contributions made to the County's Covid-19 Small Business Emergency Relief Grant Fund. Summit County shall have sole discretion in approving funding made available for special circumstances.

For each round of funding the Chief Executive of the Political Subdivision shall be asked to sign the certification attached to the Application that all employees whose wages or salaries and benefits will be paid with Program funds are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

### **Section 4 – Creation of Program Fund**

Grantees shall establish a special revenue fund pursuant to section 5705.10(D) of the Ohio Revised Code to account for funds received from the Program. Such fund shall be named Summit County COVID-19 PSGP and shall be appropriated by the legislative body of the grantee and used to pay eligible expenses of the program.

A copy of the resolution establishing and appropriating the Summit County COVID-19 PSGP Fund shall be provided to the County within 30 days of execution of the Agreement.

Employees whose eligible costs will be paid using Program funds must be charged to the Summit County COVID-19 PSGP Fund.

### **Section 5 – Reporting & Audit Requirements**

Participating Political Subdivisions shall produce payroll reports evidencing the expenditure of funds for all employees paid out of the Summit County COVID-19 PSGP Fund on a monthly basis. Reports shall be submitted to the Summit County Department of Internal Audit by the 15<sup>th</sup> day following the end of the month, in the form set forth in Exhibit B. Such report shall be sent to: [CaresActPayroll@summitoh.net](mailto:CaresActPayroll@summitoh.net)

If an employee who is being paid out of the Summit County COVID-19 PSGP Fund ceases to be substantially dedicated to COVID-19 response during the course of the Program, the Political Subdivision must immediately remove said employee from the Fund and shall notify the County of such change.

If an employee who is being paid out of the Summit County COVID-19 PSGP Fund retires during the course of the Program, the Political Subdivision shall notify the County. Separation payments, including but not limited to, sick, vacation and compensation time are not eligible expenditures of the Program.

The Summit County Department of Internal Audit shall have the right to examine all records and supporting documentation produced by grantees evidencing the expenditure of Program funds.

### **Section 6 – Reserve and Re-payment Requirements**

Political Subdivisions shall encumber from general funds, an amount equivalent to 10% of Program funds received and shall maintain such encumbrance for a period of 1 year from the conclusion of the Program. This encumbrance shall serve as a reserve to help repay the County in the event findings for recovery are made by the Federal Office of the Inspector General, U.S. Treasury or State of Ohio, that Program funds granted to the Political Subdivision were spent in violation of Program Guidelines or in violation of the requirements of the CARES act.

Political Subdivision further must agree that, if any findings are made that the grantee spent funds in violation of Program Guidelines or in violation of the requirements of the CARES Act, they shall, upon demand, repay the grant funds in question. If such payment is not received by the date the County is required to satisfy the audit finding, the County retains the right to withhold the amount of the unsettled audit finding from the distribution to the Political Subdivision of the next succeeding Second-Half Tax Distribution. If such Second-Half Tax Distribution is not sufficient to repay the balance of the unsettled audit finding, the County may continue to withhold from successive Tax Distributions, an amount necessary to repay such unsettled audit findings.

The Political Subdivision must agree that it shall not contest, by filing an action for a writ of mandamus, writ of procedendo, request for declaratory judgment, or any action or means whatsoever, the validity of the right of the County or its Fiscal Officer to withhold such sum from the Political Subdivision's Second Half Tax Distribution as provided above, and the Political Subdivision will waive in the agreement any right it may have to make such contest, provided, however, that Political Subdivision does not waive its right to dispute the amount of the audit finding owed under this Agreement or the manner in which the finding was calculated, and can seek relief in law or in equity from its obligation to create and hold the disputed amount including but not limited to the right to seek a temporary restraining order or preliminary injunction preventing the County from exercising its rights under this Section to collect the disputed amount while legal action is pending.

## **Section 7 – Termination or Conclusion of the Program**

The County reserves the right to terminate the Program at any time upon 30 days' notice to the participating Political Subdivisions. Funds remaining in the grantee's Summit County COVID-19 PSGP Fund at the date of termination must be returned to the County.

On December 30, 2020 (unless earlier terminated by the U.S. Department of Treasury pursuant to subsequent enactment by the federal government) the Political Subdivision shall complete a final payroll report for the period up to December 30 that has not yet been accounted for by prior reports. Any Program funds remaining unspent in the Summit County COVID-19 PSGP Fund shall be returned to the County.