



Oklahoma County, Oklahoma

City of Spencer, Spencer Library Project: Memorandum of Understanding

December 2024

Table of Contents

Memorandum Overview	2
Obligation Update	2
City of Spencer, Spencer Library Project, Obligation	3
Memorandum	3
<i>I. Introduction</i>	<i>3</i>
<i>II. Project Details</i>	<i>4</i>
<i>III. Conditions on the Use of Funds</i>	<i>4</i>
<i>IV. Provision of Funds</i>	<i>4</i>
<i>V. Scope of Work</i>	<i>5</i>
<i>VI. Procurement of Goods or Services</i>	<i>5</i>
<i>VII. Binding Effect</i>	<i>5</i>
<i>VIII. Signatures</i>	<i>6</i>

Memorandum Overview

Obligation Update

Treasurys [FAQ 17.1](#) clarifies how a recipient may incur an obligation.

- Under the rule adopted in 2021, an “obligation” means an order placed for property and services and entering into contracts, subawards, and similar transactions that require payment.
- Under the amendment to the rule adopted in 2023, an obligation also includes a requirement under federal law or regulation or provision of the SLFRF award terms and conditions to which a recipient becomes subject as a result of receiving or expending SLFRF funds.
- Treasury considers an interagency agreement meeting certain conditions to constitute a transaction requiring payment similar to a contract or subaward and therefore an obligation.

Per [FAQ 17.6](#) Treasury considers an interagency agreement, including an agreement in the form of a memorandum of understanding (MOU), to constitute a “transaction requiring payment” similar to a contract or subaward and therefore an obligation for purposes of the SLFRF rule, if the agreement satisfies one of the following conditions:

- it imposes conditions on the use of funds by the agency, department, or part of government receiving funds to carry out the program;
- it governs the provision of funds from one agency, department, or part of government to another to carry out an eligible use of SLFRF funds; or
- it governs the procurement of goods or services by one agency, department, or part of government from another

and the agreement also satisfies each of the following conditions:

- it sets forth specific requirements, such as a scope of work and project deliverables;
- it is signed by the parties to the agreement, or otherwise evidences that each party has assented to the agreement; and
- it does not disclaim any binding effect or state that it does not create rights or obligations

City of Spencer, Spencer Library Project, **Obligation**

Memorandum

To: Department of Treasury
From: Project Management Office
Date: 12/20/24

I. Introduction

This project is designed to address the ongoing and evolving needs of communities in the aftermath of the COVID-19 pandemic, a global crisis that has had lasting social, economic, and public health impacts.

The establishment of a library in an underserved community with limited internet access is not merely about providing books; it represents a crucial step towards improving access to information and thereby providing better public health, safety, and overall quality of life. For the City of Spencer, with its population of fewer than 5,000 residents and historically underserved status, the creation of a library is a transformative project that addresses significant needs across healthcare, education and employment.

Libraries play a pivotal role in bridging gaps within the community by offering resources and access to reliable health information, including materials on medical conditions, treatments, and preventive care. Additionally, the internet access available at libraries allows residents to utilize telehealth services, thereby reducing the need for travel to healthcare facilities and ensuring timely medical consultations.

Research indicates that communities with libraries experience lower crime rates. Access to educational and recreational resources keeps residents, especially youth, engaged in positive activities. Libraries can also serve as information centers during emergencies, providing critical updates and resources to the community. Furthermore, they can offer training sessions on topics such as first aid and disaster preparedness.

The library can collaborate with workforce development groups to provide job training, resume workshops, and other career resources. This directly impacts economic growth by enhancing employment opportunities for local citizens. Moreover, a library offers access to a wide range of educational materials and programs, from early childhood literacy to adult education, which helps improve graduation rates and overall educational attainment in the community.

The Spencer Library Project is a vital initiative that addresses multiple aspects of ARPA's expenditure categories by supporting public health, safety, and economic development. By transforming an area with limited internet access into a hub of resources and opportunities, the library will significantly enhance the quality of life for all residents.

II. Project Details

The Spencer Library Project is a pioneering initiative designed to benefit the entire community in numerous ways. Historically, the city has been known for its lack of access to the internet. This Library Project aims to alter that perception and enhance the overall quality of life for the community by providing access to telehealth services, educational opportunities, and a wide range of additional resources available through its partnership with the Metropolitan Library System.

III. Conditions on the Use of Funds

Through this memorandum the City of Spencer will abide by the following conditions:

- a. Any funds not expended as authorized under this agreement must be refunded to the County before December 31, 2026.
- b. Any funds that are not expended by December 31, 2026, are subject to recapture by the County for return to the United States Department of the Treasury
- c. The City has responsibility for identifying and recovering grant funds that were expended in error, disallowed, or unused.
- d. To ensure compliance with the existing ARPA guidelines set forth by the US Treasury, the City shall provide on a quarterly basis to the COUNTY a comprehensive and detailed list of all ARPA-related expenditures on an itemized invoice and shall also provide any backup documentation to support such expenditures. The City will also provide performance updates for all programs to show they are meeting key performance indicators.
- e. The City will comply will all closeout procedures for the awards, including full compliance with the agreement terms and conditions, ARPA, SLFRF rule and guidance, and 2 CFR 200. Key tasks will be closeout communications, confirmation for maintenance of records and financial documents, receipt of all final reimbursement requests or payment requests, receipt of all financial reports and performance reports, fulfillment of any requests to reconcile reports and payment requests. The retention period per SLFRF compliance and reporting is 5 years.

IV. Provision of Funds

The Oklahoma Board of County Commissioners has authorized SLFRF to the City of Spencer to cover construction costs to construct the entire building, secure the plumbing and electrical work through December 31, 2026.

The funding mechanism is as follows:

- **Total Authorization: \$230,000.00**
- Total Timeframe: December 20, 2024 – December 31, 2026.

These funds are designated to cover the following costs:

- Building construction
- Plumbing
- Electrical Work

The Oklahoma Board of County Commissioners and the City of Spencer have agreed to the terms within this Memorandum of Understanding for the continuation of payment to cover County costs

associated with the construction of library through December 31, 2026, utilizing Project (30118) Spencer Library Project.

V. Scope of Work

Project 30118: Spencer Library Project

The City of Spencer agrees to the following project conditions:

- Allocated funds will be used to cover construction costs incurred by the City when building the library for the underserved community until December 31, 2026.
- Eligible project expenditures will occur from 12/20/2024 – 12/31/2026.
- All funds must be expended by December 31, 2026, or they will be forfeited back to the Department of Treasury.
- The updated total authorized amount for this project **is not to exceed \$230,000.00**. With all funds remaining to expend (\$230,000.00) as of 12/20/2024.

VI. Procurement of Goods or Services

The City of Spencer will:

- a. Comply with 2 CFR 200 (Uniform Guidance) for accounting standards and cost principles.
- b. Comply with all STATE, COUNTY and 2 CFR 200 laws/rules related to procurement, including the Oklahoma County and 2 CFR 200 standards relating to conflict of interest.
- c. 2 CFR § 200.317 - When procuring property and services under a Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will comply with §§ 200.321, 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by § 200.327. All other non-Federal entities, including subrecipients of a State, must follow the procurement standards in §§ 200.318 through 200.327.

VII. Binding Effect

The Oklahoma Board of County Commissioners and the City of Spencer have agreed to the terms within this Memorandum of Understanding for the continuation of the Spencer Library Project (30118) until December 31, 2026, with the remaining grant amount of \$230,000.00.

VIII. Signatures

Date:

THE CITY OF SPENCER

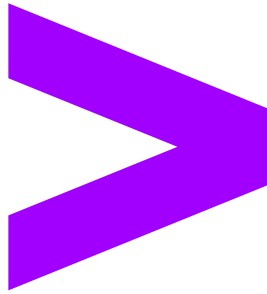
[AGENCY/DEPARTMENT HEAD]

BOARD OF COUNTY COMMISSIONERS OF OKLAHOMA COUNTY

[CHAIRMAN]

ATTESTED BY: COUNTY CLERK

[COUNTY CLERK]



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