

November 13, 2015

TO: Authorized Representative - Child Nutrition Programs

FROM: Karen Wooton, Coordinator – Food and Nutrition Services

SUBJECT: 2015 NSLP Equipment Assistance Grant

The FY 2015 Agriculture Appropriations Act authorized \$25 million for FNS to provide grants to State Agency's (SAs) for providing equipment assistance to Local Education Agencies (LEAs) participating in the U. S. Department of Agriculture (USDA) National School Lunch Program (NSLP). The Missouri Department of Elementary and Secondary Education (DESE), Food and Nutrition Services, has been allocated \$451,736 for the grants. These funds will make a significant investment in addressing the unmet need by allowing LEAs to purchase the equipment needed to serve healthier lunches with an emphasis on more fresh fruits and vegetables, improve food safety and expand access.

Competitive Application Process

Criteria outlined for competitive application process:

- Provided is a list of schools that previously received ARRA and 2010, 2011, 2013, & 2014 Equipment Assistance grant funds; therefore, are not eligible for this grant.
- Schools with the highest percentage free & reduced enrollment or individual building CEP percentage will receive top priority. (e.g., schools in underserved areas, schools with limited access to other resources, and age of food service equipment).
- Grant application must be completed in its **entirety**. Any area left blank will disqualify the application.
- The questions in the Focus Area of the grant application must address the need for equipment assistance in schools participating in the NSLP.
- Grant application must be submitted by the due date. There will be no exceptions.

Equipment Definition

Applications for equipment may include requests for new equipment, refurbishment of equipment, or replacement of equipment. Equipment for the purpose of NSLP equipment assistance grants is defined as an article of nonexpendable, tangible personal property with a useful life of more than one year and a per unit acquisition cost of at least \$1,000 (capitalization threshold followed by DESE). Funds may also be requested for allowable costs such as delivery,

installation, testing, disposal of old equipment, and labor costs associated with renovation of equipment. The total estimated equipment cost submitted on the grant application must include the anticipated equipment purchase cost and all additional allowable costs.

Focus areas of grant

USDA has established five focus areas to be addressed by grant applicants. An LEA must document how the equipment purchase will improve at least one of the five following focus areas for each item of equipment requested:

- Equipment that lends itself to improving the quality of school foodservice meals that meet the dietary guidelines (e.g., purchasing an equipment alternative to a deep fryer).
- Equipment that improves the safety of food served in the school meal programs (e.g., cold/hot holding equipment, dish washing equipment, refrigeration, milk coolers, freezers, blast chillers, etc.).
- Equipment that improves the overall energy efficiency of the school foodservice operations (e.g., purchase of an energy-efficient walk in freezer replacing an outdated, energy-demanding freezer).
- Equipment that allows for expanded participation in a school meal program (e.g., equipment for serving meals in a non-traditional setting or to better utilize cafeteria space).
- Equipment that promotes smarter lunchrooms (e.g. lunchroom changes that provide more convenience and appeal, highlighting healthier meals).

Application

The application to apply for the NSLP equipment assistance grant is attached and also available at <http://dese.mo.gov/financial-admin-services/food-nutrition-services>. Applications must be submitted individually by meal count center, in most cases. A meal count center serves its own site and one or more other sites. All LEAs may apply but priority will be given to schools/meal count centers with 50% or more students eligible for free or reduced price meals as of October 2014 or if the individual building CEP claiming percentage is above 50%.

Applications must be signed and dated by the Authorized Representative of the NSLP and the food service director. Completed applications can be mailed, faxed or scanned/e-mailed to DESE, Food and Nutrition Services, by 4:30 p.m. Friday, December 18, 2015.

Procurement

All federal, state, and local procurement laws and regulations must be followed when purchasing equipment. As you are aware, the procurement rules have been updated but don't go into effect until July 2016 however can be adopted earlier. The two options for procurement are:

- 1) Bids are required for all equipment purchases. For public LEAs equipment purchases anticipated to cost \$25,000 or more require formal advertised bids. Purchases less than \$25,000 do not require advertising and informal bids can be accepted by phone, fax, or on-

line. However, if your LEA procurement rules are more restrictive, they must be followed. Check with your LEA's business official regarding your local procurement procedures and formal/informal bidding thresholds. For non-public LEAs formal advertising bid procedures must be followed for purchases exceeding \$100,000, unless more restrictive rules are chosen to follow.

- 2) Equipment purchases anticipated to cost under \$3,000 must be distributed equitably among qualified suppliers and no solicitation is needed. For purchases between \$3,000 and \$150,000 price or rate quotes must be obtained from at least three suppliers. However, if your LEA procurement rules are more restrictive, they must be followed. Check with your LEA's business official regarding your local procurement procedures and formal/informal bidding thresholds.

Please indicate on your application which option your LEA is currently using.

Grant *awards* will be based on the submitted total estimated equipment costs obtained from informal or formal bidding procedures. Final grant *payments* will be determined by invoices/purchase orders submitted for the equipment.

Timeline

December 18, 2015, by 4:30 p.m. - Application submitted to DESE, Food and Nutrition Services
Approximately January 18, 2016 - Notification of grant awards by DESE, Food and Nutrition Services
September 30, 2016 - Grant funds should be fully expended

Resource

The National Food Service Management Institute (NFSMI) has developed a resource for LEAs entitled "Equipment Purchasing and Facility Design for School Nutrition Programs," which includes information on decision making for the purchase of school foodservice equipment. This resource is available on the NFSMI's Web Site at <http://nfsmi.org/>.

Questions regarding this grant opportunity may be directed to Karen Wooton, at 573-751-3526.