



## Missouri Department of Elementary and Secondary Education

— Making a positive difference through education and service —

May 15, 2009

**TO:** Authorized Representative - Child Nutrition Programs

**FROM:** Karen Wooton, Coordinator - School Food Services

**SUBJECT:** ARRA NSLP Equipment Assistance Grants

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Obama on February 17, 2009, and provides a one-time appropriation of \$100,000,000 nationwide for 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), School Food Services (SFS), has been allocated \$1,838,222 for the grants. While the primary effect of the NSLP equipment assistance grants is to improve the infrastructure in the NSLP, it is important to note the authority for the grants was provided in the context of the overall effort to stimulate activity within the American economy. Grants will be awarded on a competitive application basis.

### **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. Multiple pieces of equipment may be requested per application and each equipment item will be scored individually.

### **Focus areas of grant**

USDA has established four focus areas to be addressed by grant applicants. An LEA must document how the equipment purchase will improve at least one of the four 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).

### **Application**

The application to apply for the NSLP equipment assistance grant is attached and also available at [www.dese.mo.gov/divadm/food](http://www.dese.mo.gov/divadm/food). 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 of the students eligible for free or reduced price meals as reported on the October 2008 claim for reimbursement. Attached is a spreadsheet with the October 2008 percentages of the students eligible for free or reduced price meals by meal count center. The percentage was determined by the total students eligible for free or reduced price meals at school sites served by the meal count center divided by the total enrollment of the respective school sites. Also included on the spreadsheet is the meal count center's Average Daily Participation (ADP) and the percentage ADP is of Average Daily Attendance (ADA), which will be used as evaluation criteria.

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, SFS, by 4:30 p.m. Friday, June 5, 2009.

### **Procurement**

All federal, state, and local procurement laws and regulations must be followed when purchasing equipment. 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.

LEAs are expected to complete the procurement process and fully expend all grant funds within three (3) months of notification of the grant award.

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.

**Jobs created and retained**

As a requirement of the ARRA funds, LEAs must report the number and description of jobs created or retained. Jobs created means those new positions created and filled, or previously existing unfilled positions that are filled, as a result of the ARRA funding. Jobs retained means those previously existing filled positions that are retained as a result of ARRA funding. The number shall be expressed as "full-time equivalent" (FTE), calculated cumulatively as all hours worked divided by the total number of hours in a full time schedule. For instance, two full-time employees and one part-time employee working half days would be reported as 2.5 FTE.

If no jobs are created or retained, enter zero (0) on the NSLP equipment assistance grant application. Jobs created/retained data are for reporting purposes only, and will not affect the point total for the grant application.

**Timeline**

- June 5, 2009, by 4:30 p.m. - Application submitted to DESE, SFS
- Approximately June 30, 2009 - Notification of grant awards by DESE, SFS
- September 30, 2009 - Grant funds should be fully expended

**Selection Criteria**

Attached is the NSLP Equipment Assistance Grant Scoring Evaluation form DESE, SFS, will use to evaluate grant applications. A summary of the criteria is as follows:

	<b>Points</b>
1. Percentage of students eligible for free or reduced price meals.	40
2. At least one of the four focus areas of the grant is addressed.	20
3. ADP of all schools served by the school site/meal count center.	10
4. Percentage of ADP of ADA for all schools served by the school site/meal count center (ADP ÷ ADA).	10
5. Ability to expend grant funds within three (3) months of grant award.	10
6. The application is neat and complete.	3
7. Equipment information is complete.	7
<b>Total points</b>	<b>100</b>

In the event of tied scores, higher priority will be given to applicants with a higher free and reduced percentage.

**Resource**

The National Food Service Management Institute (NFSMI) has recently 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.