



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

May 8, 2014

MEMORANDUM

TO: Local and Intermediate School District Superintendents, Public School Academy Administrators, Selected Nonpublic School Administrators, and Residential Child Care Institutions

FROM: Kyle Guerrant, Deputy Superintendent *KG*

SUBJECT: Application for the National School Lunch Program Equipment Assistance Grant

The United States Department of Agriculture (USDA) Food and Nutrition Service has selected Michigan to receive National School Lunch Program (NSLP) Equipment Assistance Grant funds in the amount of \$638,408 for School Food Authorities (SFAs) participating in the NSLP. These funds will make a significant investment in fulfilling the unmet need by allowing SFAs to purchase the equipment needed to serve healthier meals, meet the new nutritional standards with emphasis on more fresh fruits and vegetables in school meals, improve food safety, and expand access.

The School Nutrition Programs unit will administer this program and will continue to monitor regulatory compliance and provide support for other USDA sponsored school nutrition programs. The grant application will be available on or around May 8, 2014, through the Michigan Electronic Grants System Plus (MEGS+) at <https://mdoe.state.mi.us/MEGSPPlus> and must be initiated by Level 5 authorized officials.

Grant applications are due by close of business on June 6, 2014. We expect grant funding to be awarded by July 3, 2014. The performance period for these grants expands over a two-year period. Therefore, SFAs must complete their procurement and expenditure activities by the end of the performance period of September 30, 2015. A maximum amount of \$25,000 per site may be requested for grant funding.

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The grants will be awarded via a competitive process to SFAs giving priority to high need schools (e.g., schools in underserved areas, schools with limited access to other resources, and age of food service equipment) where 50 percent or more of the enrolled students are eligible for free or reduced price meals. In addition, priority will be given to schools that did not receive a previous NSLP Equipment Assistance grant award (e.g., American Recovery and Reinvestment Act [ARRA] and the Fiscal Year 2010 Agriculture Appropriations Act).

In order to make the most effective use of the NSLP Equipment Grant funds, the focus will be on equipment that improves the quality of school meals. Additionally, the focus will include:

- equipment that improves the safety of food served in School Meals Programs
- equipment that improves the overall energy efficiency of the school food service operations
- equipment used to improve or expand participation in the NSLP and/or School Breakfast Program

Equipment requests may include new equipment, renovation of equipment, installation costs, or replacement of equipment. USDA regulations at 7 CFR 3016.3 and Office of Management and Budget Circular A-87 define equipment as articles of nonexpendable, tangible personal property with a useful life of more than one year and a per unit acquisition of \$5,000 (or such lesser amount as the SFA uses when reporting equipment as assets in its financial statements).

As with all federal grants, equipment procured using NSLP Equipment Assistance Grant funds must be practical and allocable in order to be reasonable and permissible costs. Therefore, using these grant funds to purchase a walk-in freezer for school food service or a salad bar would be an allowable cost, whereas renovation of the food service area would fall under the category of construction costs, which must be done by the school district's general fund. SFAs are required to follow all federal, state, and local procurement laws when purchasing equipment with these grant funds. In addition, SFAs will be required to submit quarterly reports on the progress of completing the grant process. SFAs are also encouraged to apply for any local or state funding that would assist in procuring requested equipment.

If you have questions regarding the grant application process, please contact Peggy La Fleur by email to lafleurp@michigan.gov or phone 517-373-8319.

cc: Michigan Education Alliance