



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

SHEILA A. ALLES
INTERIM STATE SUPERINTENDENT

MEMORANDUM

DATE: February 28, 2019

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

FROM: Kyle L. Guerrant, Deputy Superintendent *KG*

SUBJECT: National School Lunch Program (NSLP) Equipment Assistance Grant

The United States Department of Agriculture (USDA) Food and Nutrition Service has selected Michigan to receive NSLP Equipment Assistance Grant funds in the amount of \$760,988 for School Food Authorities (SFAs) participating in the NSLP. These funds will allow SFAs to purchase 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, improve quality, 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 March 1, 2019, through the Michigan Electronic Grants System Plus (MEGS+) at <https://mdoe.state.mi.us/MEGSPlus> and will be listed as the **NSLP Equipment Assistance Grant under Fiscal Year 2020**. The application must be initiated by a Level 5 authorized official or Level 4 application administrator.

Grant applications are due by close of business on March 29, 2019. It is expected that grant funding will be awarded by April 30, 2019. The performance period for these grants expands over a one-year period. Therefore, SFAs must complete their procurement and expenditure activities by the end of the performance period of September 30, 2020. A maximum amount of \$25,000 per site may be requested for grant funding. **In addition, Congress has specified that the threshold for the purchase of equipment cannot be lower than \$1,000. Therefore, each piece of equipment funded by this grant must be valued at \$1,000 per item, not in the aggregate. This value does include the cost of installation and/or the delivery fee.**

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The grants will be awarded via a competitive process 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] of 2009 and the Fiscal Year 2010, 2013, 2014, 2015, 2016, and 2017 Agriculture Appropriations Acts).

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. Federal regulation 2 CFR Part 200.33 defines 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 more (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.

The information in this memorandum helps support Goal 4, Strategy 4.1, of [MDE's Top 10 in 10 Initiative](#) by providing resources to SFAs that facilitate the delivery of nutrition to students in helping them to learn and grow.

If you have questions regarding the grant application process, please contact Cheryl Schubel by email to schubelc@michigan.gov or phone 517-241-5152.

cc: Michigan Education Alliance