



**United States
Department of
Agriculture**

Food and
Nutrition
Service

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Alexandria, VA
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DATE: December 18, 2013

MEMO CODE: SP 14 - 2014

SUBJECT: National School Lunch Program (NSLP) Equipment Assistance
Grants – Fiscal Years (FY) 2010 and 2013

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

The FY 2013 Agriculture Appropriations Act authorized \$9.7M for the Food and Nutrition Service (FNS) to provide grants to States agencies (SA) for providing equipment assistance to school food authorities (SFA) participating in the NSLP. Additionally, the FY 2010 NSLP Equipment Assistance funds provided by the FY 2010 Agriculture Appropriations Act have a balance of \$1.25M that will be available until fully expended, which will be distributed simultaneously for a total of \$11 million.

These funds are in addition to the \$100 million provided by the American Recovery and Reinvestment Act of 2009 (ARRA) and the \$25 million provided by the FY 2010 Agriculture Appropriations Act for NSLP equipment assistance.

Nearly 25,000 school districts previously applied for over \$640 million for equipment assistance grants; however, only 5,000 school districts received equipment assistance awards. Consequently, there remains a significant unmet need to extend food service equipment funds to school districts and schools.

Use of Funds

These funds will make a significant investment in meeting the unmet need in a select number of SAs, 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.

Selected SAs must award these grants via a competitive grant 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, SFAs must give priority to schools that did not receive a previous NSLP Equipment Assistance grant award (e.g., ARRA and the FY 2010 Agriculture Appropriations Act).

When developing the criteria for selecting SFAs for award, SAs should consider factors including, but not limited to the following:

- Opportunities to realize a meaningful impact on nutrition and quality of meals (e.g., replacing fryers with combination steamer-ovens)
- Strategies for adopting smarter lunchrooms (e.g. lunchroom changes that provide more convenience and appeal to the student population, highlighting healthier choices, redesigning menus that target healthier entrees/options)
- The availability of existing State and local funding for equipment purchases
- Age of food service equipment

Funding

Due to the limited funds available, FNS determined that awarding grants to all 50 States is not feasible. Therefore, FNS elected to target a smaller number of SAs to make the greatest impact on need in the selected SAs, make best use of the funds available, and ensure that the administrative cost associated with the grant process in SAs is reasonable given the grant funds available. Additionally, FNS sought to achieve geographical balance in the selection of SAs. Accordingly, FNS equally assessed the following criteria to identify the top 16 SAs with the greatest need for equipment assistance:

- Free/Reduced Price participation in the NSLP. *This criterion is the percent of Free/Reduced Price students eating a meal everyday (or average daily participation).*
- A measure of unmet need from previous NSLP Equipment Assistance Funding allocations (e.g., ARRA and the FY 2010 Agriculture Appropriations Act). *This criterion is determined by the amount of funds provided to the SA in previous awards as compared to the the amount of funds requested by SFAs in the SA.*

FNS has selected the following SAs to receive an equipment grant: **ARKANSAS, CALIFORNIA, DISTRICT OF COLUMBIA, GUAM, ILLINOIS, MAINE, MICHIGAN, MISSISSIPPI, MISSOURI, NEW MEXICO, OKLAHOMA, OREGON, TENNESSEE, TEXAS, VIRGINIA, and WASHINGTON.**

Similar to the methodology used to distribute equipment funds provided by the ARRA, and the FY 2010 NSLP Equipment Grants, \$11 million will be distributed among these 16 SAs using the FY 2013 State Administrative Expense allocation formula (see Attachment A for selected SAs' funding levels). Grant funding amounts were targeted to be commensurate with funding levels provided in the FY 2010 Agriculture Appropriations Act to allow selected SAs to make a similar level of impact on school districts and schools while giving priority to those who were not previously awarded equipment assistance funds. If any SA is unable to use these funds or additional funds become available, FNS will use a similar approach to fund additional SAs on the ranking list.

Regional Directors

State Directors

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Notification for Selected State Agencies

FNS will distribute congratulatory letters to the selected SAs very soon which will outline specific terms and conditions for these grants, including the grant award process, funding goals, award timeline, and reporting requirements.

Questions regarding this memo should be directed to the Regional Offices (RO). RO questions should be directed to the Program Monitoring and Operational Support Division.

Original Signed

Cynthia Long

Deputy Administrator

Child Nutrition Programs

[Attachment](#)