



ARKANSAS
DEPARTMENT
OF EDUCATION

Child Nutrition (CN) Directors,

As many of you are already aware, in the American Recovery and Reinvestment Act (ARRA) of 2009, Congress designated federal funds for Equipment Assistance Grants for school nutrition programs. The coordination of all ARRA funds in Arkansas is being handled through the Governor's Recovery Cabinet and website at <http://www.recovery.arkansas.gov/> (Arkansas Recovery Hotline – 1-877-682-1515).

The Arkansas Department of Education (ADE), Child Nutrition Unit (CNU) is currently receiving USDA Memos and Instructions regarding requirements for a competitive grant process that will be used to award and disburse these federal funds.

Focus of School Nutrition Equipment Stimulus Funds:

The following are the four focus areas designated by USDA that ADE CNU will choose from for selection criteria in the equipment assistance grant applications:

1. 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),
2. 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.),
3. 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efficiency of the school foodservice operations (e.g. purchase of an energy-efficient walk in freezer replacing an outdated, energy-demanding freezer),
4. Equipment that allows Local Education Agencies (LEAs)/School Food Authorities (SFAs) to support expanded participation in a school meal program. (e.g., equipment for serving meals in a non-traditional setting or to better utilize cafeteria space)

As districts review the equipment needs, please keep in mind the changes that the Institute of Medicine will be providing to Congress and USDA this fall to assist schools in providing healthy meals for students. These changes will stress the 2005 U.S. Dietary Guidelines for healthy school meals, thus the purchase of equipment to eliminate fried foods in the school setting should be a major consideration. The purchase of deep fat fryers will not be approved for the use of these funds. The ADE Child Nutrition Unit, USDA Team Nutrition Grant will provide two regional workshops in May to emphasize the need for increased whole grain products made at schools with USDA whole grain commodities. Equipment for on-site preparation and increased refrigeration for fresh fruits and vegetables will be given a high priority in these competitive grants as a means to provide healthy meals to students and enable programs to further meet the Dietary Guidelines.

Arkansas will receive **\$1,249,361 in ARRA Equipment Assistance Funds** for school district grants to fund schools kitchen equipment needs for 1095 schools and 259 Local Education Agencies, currently participating in the federal school nutrition programs. This money will be a great financial help as well as provide work for persons in the institutional food service equipment manufacturing areas, local equipment dealers and equipment fabrication and installation personnel. All federal, state and local procurement regulations must be followed with regard to open and free competitive procurements for the expenditure of federal grant funds. Each grant award by school will need to be for a piece of food preparation and/or storage equipment with a minimum cost per unit acquisition cost of \$5,000. Construction or renovation costs are **not**

allowable for the Equipment Assistance Grants and must be borne by the school district's general revenue fund.

Most school nutrition program directors already have a list of needed food preparation, storage and service equipment by school and district. District Child Nutrition Directors can start preparing for completing Equipment Assistance Applications now by:

- Updating a list of school and district equipment needs,
- Gathering equipment specifications information and estimated equipment manufacturer delivery information,
- Obtaining equipment cost estimates for grant request purposes, and
- Prioritizing the equipment needs by school site and by district.

In other words, prioritize the needs of each school from "most needed equipment" to "equipment that would be nice to have" and then for the district, prioritize which school kitchens have the greatest need within each of the four focus areas.

In an effort to address the data collection requirements by USDA, the equipment grant application process will be by school with a summation of grant requests by district. A district will receive one equipment grant amount with specific awards by school and the specific equipment to be purchased with grant funds. There will not be sufficient funds to give all districts and schools the equipment that is needed. Please keep this in mind as you prioritize the needs of your schools and the district. Many schools have equipment that is 20 plus years old and in bad need of replacement.

Although one USDA criterion for award of the equipment grants will be the percentage of free and reduced eligible students by school as of October 1, 2008, USDA has confirmed that schools with less than 50% of free and reduced-priced students may apply for these equipment funds. The March 9, 2009 USDA Memo provided this clarification: "State agencies must comply with the statutory requirement that grants are to be based on the need for equipment assistance in participating schools with priority (or more weight) given to schools in which not less than 50 percent of the students are eligible for free or reduced price meals." Thus schools with less than 50% free and reduce-price eligible students may apply for these funds.

When the district applies for and receives a grant award for the estimated cost of a piece of equipment, the district will first need to pay the full cost of the equipment and installation, and then submit an equipment invoice for reimbursement. If the invoice total is more than the original grant award for that piece of equipment, the district will have to pay the difference. The reimbursement will be based on the original estimated cost submitted on the grant application and announced in the grant award.

New Free Resource Available:

Please see the link below for a new free resource guide available from the National Food Service Management Institute, "***Equipment Purchasing and Facility Design for School Nutrition Programs***" (<http://www.nfsmi.org/documentLibraryFiles/PDF/20090312115009.pdf>). This valuable reference tool will be helpful to school districts in preparation of an Equipment Assistance Grant Application for these funds.

There are many details regarding the ARRA Equipment Assistance Funds that may change or be added during this process, but CNU will try to keep directors up-to-date as much as possible.

We know that the end of a school year is a busy time for directors and managers. Since Equipment Assistance Application process deadlines may occur in June, July or August, ADE CNU will endeavor to have a timeline for districts by no later than May 30, 2009.

Thank you for your flexibility, patience and understanding when new opportunities start evolving for school nutrition programs. Child Nutrition Directors please share a copy of this email with the Superintendent copy of this email.

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