



Food and
Nutrition
Service

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Braddock
Metro
Center

SUBJECT: Fiscal Year (FY) 2021 National School Lunch Program
Equipment Assistance Grants for School Food Authorities

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TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

Issuing Agency/Office:	FNS/Child Nutrition Programs
Title of Document:	Fiscal Year (FY) 2021 National School Lunch Program Equipment Assistance Grants for School Food Authorities
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Summary:	The purpose of this memorandum is to distribute \$30 million provided by the Consolidated Appropriations Act, 2021, (Public Law 116-260), to State agencies to competitively award Equipment Assistance Grants to eligible School Food Authorities (SFAs) participating in the National School Lunch Program (NSLP).
Disclaimer:	The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

The purpose of this memorandum is to distribute \$30 million provided by the Consolidated Appropriations Act, 2021, (Public Law 116-260), to State agencies to competitively award Equipment Assistance Grants to eligible School Food Authorities (SFAs) participating in the National School Lunch Program (NSLP). This memorandum and attachments provide guidance on the specific terms and conditions, funding goals, period of performance, and timelines for these grants.

Grant Awards

State agencies competitively award subgrants to local educational agencies and schools to purchase equipment, with a value of greater than \$1,000, needed to serve healthier meals, improve food safety, and to help support the establishment, maintenance, or expansion of the School Breakfast Program.

State agencies may consider any SFA eligible to receive a grant award.

Selection criteria factors that State agencies may consider include, but are not limited to the following:

- Age of food service equipment or lack of appropriate items
- The availability of existing State and local funding for equipment purchases
- Strategies for adopting lunchroom changes that provide more convenience and appeal to the student
- Opportunities to realize meaningful impacts on nutrition and quality of meals

State agencies must submit a copy of the Request for Application (RFA) to their respective Food and Nutrition Service (FNS) Regional Program Office for prior approval. The RFA must include all applicable terms and conditions both at the Federal and State level (Government-wide and USDA requirements).

Funding

For the funding available in FY 2021, FNS used the State Administrative Expense allocation formula to fully issue the available \$30 million to State agencies. Refer to the State agency funding allocation attachment.

A State agency may not use more than five percent of its allocation for administrative costs associated with awarding grants to eligible SFAs.

Funding Goals

As with all Federal grant funds, procurement regulations at 7 CFR Part 210.21 and 2 CFR Part 200.317-326 apply, and equipment competitively procured using these grant funds must be necessary, reasonable, and allocable. State agencies' NSLP Equipment Assistance Grant announcements to SFAs must highlight the requirement to follow all Federal, State, and Local procurement laws when purchasing equipment with these grant awards.

Though not required, SFAs awarded grant funds are encouraged to purchase equipment made domestically.

Period of Performance

The effective dates of these grants will vary; however, the performance period for all such grants will end September 30, 2023 (i.e. the termination date).

Award/Award Timeline

State agencies are responsible for completing the FNS-529¹ and must agree to the Standard Terms and Conditions. Once approved by the FNS Regional Office, The State agency will distribute subgrant materials, review application submissions from SFAs, award subgrants, and conduct monitoring. State agencies are expected to maintain all appropriate purchase records and make them available and ready for review upon request. This initial award phase should be completed by September 30, 2022, including solicitation and obligation.

SFAs that are unable to fully obligate and expend their grant amounts must return any unobligated and unliquidated funds to the State agency. If these funds are returned to the State agency, the State agency may reallocate available funds (the returned funds and the funds not previously obligated to SFAs) to award the next applicant approved for an equipment grant that had not received funds during the initial competitive grant application process.

Funds returned to the State agency after September 30, 2023 must be returned to FNS. State agencies must follow all standard policies and procedures to award these grants to the SFAs.

Administration

State agencies are required to electronically enter the quarterly and final financial status report (SF-425²) into the Food Program Reporting System (FPRS) for the “National School Lunch Program Equipment Grant, version 5” (CN-NSLPE-v5). This report must be entered within 30 days after the close of each quarter. The Final Financial Report must be entered into FPRS within 120 days of the expiration of the grant agreement. This report must also be certified by the Recipient’s chief fiscal officer or an officer of comparable rank. State agency staff that do not already have access to the “CN-NSLPE-v5” Program in FPRS, will need to submit an FNS-674 to their Regional Office point-of-contact. The FNS-674 can be found on the FPRS Welcome page (Click Here: <https://fprs.fns.usda.gov>).

Questions regarding this memo should be directed to the appropriate Regional Office. Regional Office questions should be directed to the Child Nutrition Program Monitoring and Operational Support Division.

¹ The burden associated with this requirement is captured under OMB #0584-0512 Uniform Grant Application for Non-Entitlement Discretionary Grants – 07/31/2022

² The burden associated with this requirement is captured under OMB #0584-0594 Food Programs Reporting System (FPRS) – 07/31/2023

Original Signed

Cheryl Fogerty Zamaloff
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Program Monitoring and
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Child Nutrition Program

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Lynn Rodgers-Kuperman
Director
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Office of Financial Management

Attachments:

1. FY 2021 NSLP Equipment Assistance Funds: State Allocations
2. USDA FNS Standard Terms and Conditions
3. FNS-529: Grant Cooperative/Agreement
4. FNS-529: Terms and Conditions
5. Regional Office Checklist for Reviewing State Agency NSLP Equipment Grant Proposals