



**United States  
Department of  
Agriculture**

Food and  
Nutrition  
Service

3101 Park  
Center Drive  
Alexandria, VA  
22302-1500

December 20, 2010

Dear State Directors:

The Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265) amended Section 22 of the Richard B. Russell National School Lunch Act (NSLA), to establish a requirement that State agencies (SAs) conduct additional administrative reviews of selected School Food Authorities (SFAs). It also amended Section 7 of the Child Nutrition Act to provide funding for SAs to conduct administrative reviews and provide training for SFAs. These requirements are focused on SFAs which have demonstrated a high level of or a high risk for administrative error. To assist SAs in achieving these requirements, the Department of Agriculture (USDA) Food and Nutrition Service (FNS) will provide funding for Administrative Review and Training (ART) Grants. The grant funds will be available only to the 57 SAs that administer the Child Nutrition Programs for the purpose of conducting additional administrative reviews of SFAs that have demonstrated a high level of or a high risk for administrative error. FNS will make the funds available on a competitive but streamlined basis.

In fiscal year (FY) 2010, FNS awarded two types of ART Grants. Method I ART Grants provided funding for additional administrative reviews and Method II ART Grants provided funding for training and oversight activities. Method II funding is available for training activities related to certification, verification, promotion of nutritional quality of meals and for technology improvements which demonstrate ability to address administrative errors. This announcement describes the FY 2011 Method I ART Grant process. Information pertaining to Method II ART Grants will be issued later in FY 2011.

The following information pertains to the FY 2011 Method I ART (Administrative Reviews) Grant announcement:

The goal of Method I is to encourage and support SAs in their efforts to decrease administrative errors and to conduct additional administrative reviews of those SFAs that may have a high level of or a high risk for administrative error. This method seeks applications for funding to conduct additional administrative reviews of these high-risk SFAs and a plan for reviews that would be conducted to address these errors. The requirement for additional administrative reviews of such SFAs is described in the program memorandum coded SP 07-2011 (Revised) "Additional Administrative Reviews and State Retention of Improperly-Paid Funds in school year 2010-11" which can be found on the Agency's PartnerWeb. An additional administrative review in the National School Lunch Program (NSLP) includes a review of applications, certification, verification, meal counting and meal claiming procedures. FNS seeks applications for ART Grants under funding Method I to conduct additional administrative reviews of SFAs that have had or are likely to experience administrative errors.

SAs interested in obtaining funding under Method I should review the attached “Request for Administrative Review and Training Grants – Method I, Administrative Reviews” (Attachment A) and complete the attached template “Additional Administrative Reviews Application Template for Method I” (Attachment B), as well as the attached SF-424, “Application for Federal Assistance”, SF-424(A), “Budget Summary”, and SF-424(B), “Assurances”. Funding may be requested up to \$3,500 per review. If a SA requests more than \$3,500 per review, appropriate justification must be provided to enable FNS to determine whether or not the increase is justifiable. All allocated costs, including indirect costs, must be actual and documented.

Applicants may apply for this funding directly through the following website: [www.grants.gov](http://www.grants.gov) - no later than 5 p.m. on February 18, 2011.

Additional details regarding the request for application for these awards are provided in Attachment A as well as administrative reporting procedures including the reporting requirements under the Federal Funding Accountability and Transparency Act (FFATA) of 2006.

If you have any questions, please contact Carla Garcia, Grant Officer, at (703) 305-2760. We look forward to receiving your application for FY 2011 Method I ART Grant funding.

Sincerely,



Lael J. Lubing  
Director  
Grants Management Division



Cynthia Long  
Director  
Child Nutrition Division

Enclosures