

**USDA Food and Nutrition Service
National School Lunch Program (NSLP)
American Recovery and Reinvestment Act (ARRA) Plan Update
6/18/2010**

This document provides an update to the National School Lunch Program (NSLP) Plan. The update follows the original plan below.

Original Plan (as posted on the Recovery.gov web site)

Objectives

Program Purpose

The National School Lunch Program is a federally assisted meal program operating in over 101,000 schools and residential child care institutions. Schools provide nutritionally balanced, low-cost or free lunches to more than 31 million children each school day. The ARRA provides \$100 million for State Agencies to award competitive grants to School Food Authorities (SFAs) for the purchase of school food service equipment to ensure that children receive healthy, safe meals.

Public Benefits

The goals of the ARRA equipment assistance grants are to improve program infrastructure and stimulate the American economy through the purchase of school food service equipment.

The ARRA provides \$100 million through September 30, 2010 for State Agencies to award competitive grants to SFAs that participate in the NSLP for the purchase of school food service equipment to ensure that children receive healthy, safe meals. FNS provided funds to administering State agencies proportionate to each State's administrative expense allocation, as provided in ARRA. State agencies, in turn, will provide \$100 million in competitive grants to local school food authorities for the procurement of school food service related equipment (e.g., refrigerators, ovens, freezers, etc.). States will have full discretion to determine appropriate equipment requests; however, emphasis will be placed on procurements that have an immediate impact on the economy, as opposed to equipment purchases that may take many months or years to become effective. As mandated by the ARRA, priority will be given to school food authorities for equipment for schools with 50 percent or greater of the students eligible for free or reduced price meals under the Richard B. Russell National School Lunch Act. All grant award recipients will be required to follow all Federal, State, and local procurement requirements.

Measures

The measures have been revised to enrich the performance metrics for Recovery targets. In some instances, targets will not be available until additional baseline data has been collected.

Measure	Target/Actual			
	2009	2010	2011	2012
[+]Funds expended	0/0	0/0	-	-
<p>Frequency : Quarterly</p> <p>Direction : Increasing</p> <p>Type : Output</p> <p>Explanation : Total ARRA funds expended on food service equipment purchases for schools</p> <p>Unit : dollars</p>				
[+]Total Project Completed	0/0	0/0	-	-
<p>Frequency : Quarterly</p> <p>Direction : Increasing</p> <p>Type : Output</p> <p>Explanation: Total number of equipment purchases made and installed.</p> <p>Unit : States</p>				
	0/0	0/0	-	-

Schedule and Milestones

- February 26, 2009 - FNS sent notification to Regional offices and State agencies advising them of the provisions and that more information would follow.
- March 9, 2009 - FNS issued implementation memo to Regional offices and State agencies describing the funding process, funding priorities and State application procedures for stimulus funding for technology projects.
- March 18, 2009 – ARRA NSLP equipment grant funds were released to the FNS Regional Offices, and State agencies received the funds by March 20th.
- March 20, 2009 - FNS issued memo answering questions from Regional Offices and State agencies on the ARRA equipment grants.
- April 3, 2009 - FNS issued a memo to Regional Offices and State agencies advising them of OMB's notice on proposed ARRA reporting requirements.
- April 8, 2009 - FNS issued a memo answering additional questions from Regional offices and State agencies on the

ARRA equipment grants.

- April 16, 2009 – FNS issued a memo to Regional Offices and State agencies clarifying the use of equipment specifications in grant solicitations.
- State agencies have been encouraged to make NSLP equipment grants to qualifying food authorities no later than June 8, 2009.
- FNS recommended to State agencies that their grant recipients (i.e., school food authorities) fully expend their ARRA funds within three months of award.
- Any funds not obligated by the end of FY 2009 will be recovered and reallocated by FNS.
- All funds must be obligated by the end of FY 2010.

Milestones

No Data Available

Projects and Activities

To effectively use the ARRA grant funds, State agencies were asked to incorporate one or more of the following four focus areas into the State's application:

- 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).
- 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.).
- Equipment that improves the overall energy efficiency of the school food service operations (e.g. purchase of an energy-efficient walk in freezer replacing an outdated, energy-demanding freezer).
- Equipment that allows school food authorities 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).

Review Process

NSLP is a Federal nutrition assistance program that is State administered. Given this relationship with the States, FNS employs regular reporting and monitoring tools to oversee ongoing State agency program operations for NSLP including monthly financial reports and on-site financial and programmatic monitoring of NSLP expenditures. These on-site efforts will now include a specific module on the review of ARRA activities. The use of the funds will be monitored by a specific ARRA Standard Form 425, Federal Financial Report. ARRA financial reports will be required

on a quarterly basis.

FNS regularly conducts management evaluations of the State agencies. These management evaluations are designed to ensure that States are properly complying with federal program requirements. During these management evaluations, FNS will ensure that the State agency has adequate oversight of all solicited grants, including the ARRA equipment assistance grants.

State agencies will be required to complete the recipient reporting requirements and ensure the completion of the sub-recipient reporting requirements established by Section 1512 of the Recovery Act and implemented through the guidance issued by OMB on April, 3, 2009. FNS will analyze this data to identify risks and take appropriate oversight actions. FNS will also draw on any audit finding associated with specific ARRA audits conducted by GAO and OIG, using these findings as a source of additional data to identify and then resolve any issues related to implementation.

Cost and Performance Plan

All FNS plans, guidance to States, allocation formulas and State-by-State funding allocations, press releases, and performance information are available on the FNS web site in a space dedicated to ARRA implementation: <http://www.fns.usda.gov/fns/recovery>. In addition to the FNS website, FNS provides updates to the Congress and hunger and nutrition advocacy organizations to ensure they are aware of our activities and to seek their feedback on FNS ARRA activities. FNS also monitors the media for any stories on FNS ARRA activities.

Energy Efficiency Spending Plans

The NSLP equipment purchases do not fall under the definition of infrastructure investments.

Program Plan Award Types

No Data Available

[Source](#)

Plan Update (06.18.10)

The ARRA NSLP investments in school equipment have been implemented according to the original plan with the exception of reporting some of the original performance measures which cannot be used because of the final requirements related to recipient reporting. All of the ARRA NSLP funds have been obligated to State agencies responsible for the administration of the NSLP, and all States have completed their competitive process to select equipment grant projects for eligible schools. Upon completion of the initial award process, States reported funding over 5,000 applications for equipment assistance out of total of over 23,000 requests received. Examples of the types of equipment purchased with ARRA funding include: double stacked ovens, refrigerators, walk-in refrigerators and freezers, warming pans, convection and combination steamer ovens, dishwashers, mixers, ice machines, etc.

Thousands of school kitchens benefitted because equipment purchases lent themselves to:

- Improving the quality of school foodservice meals that meet the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (e.g., purchasing equipment alternate to a deep fryer);
- Improving 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.);
- Improving 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);
- Supporting expanded participation in school meal programs (e.g., equipment such as meal carts, used for serving meals in a non-traditional setting or for better utilizing cafeteria space).

These investments help ensure that students in communities hit hard by the economic downturn have access to the nutritious food they need to focus in class and do well in school. The FNS web site has highlighted some examples of these projects at: <http://www.fns.usda.gov/cga/PressReleases/2010/FNS-0002.htm>.

The following represent updates to the milestones and performance measures.

Schedule and Milestones

The following are additions to the original plan:

- September 29, 2009 - FNS issued a memo to Regional Offices and State agencies describing the reporting requirements of the ARRA and providing detailed guidance on how to complete every field of OMB's Reporting Solution at www.federalreporting.gov.
- December 18 and 22, 2009 – FNS conducted webinars to provide training on the ARRA review process for Regional Offices
- January 8 and 29, 2010 – FNS issued guidance to State agencies advising them to recover and reallocate any funds not obligated by the end of FY 2009.

Performance Measures

Measure	Target/Actual			
	2009	2010	2011	2012
[+]Funds expended	\$99,077,475/\$99,077,475	-	-	-
Frequency : Annual				
Direction :				
Type : Output				
Explanation: Total ARRA funds expended on food service equipment purchases for schools. Measure includes federal outlays and unliquidated obligations by State agencies administering the NSLP.				
Unit : dollars				
[+]Total Number of <i>HealthierUS</i> Schools (new measure)	Target not established	674/	1248/	2248/
Frequency: Annual				
Direction : Increasing				
Type : Output				
Explanation: Number of schools meeting the <i>HealthierUS Schools Challenge</i> . The targets announced by the First Lady are 1248 schools by June 2011, 2248 by June 2012, and 3248 by June 2013. Note that the reporting period is not the federal fiscal year but in June of each year.				
Unit : Schools				
[+] Number of States with 95% or more outlay of funds (new measure)	6/6	45/	-	-
Frequency: Annual				

Measure	Target/Actual			
	2009	2010	2011	2012

Direction : Increasing

Type : Output

Explanation: The total number of States that have outlayed 95% or more of their ARRA funds.

Unit : States

[+] Number of schools benefiting from equipment purchases

Measure deleted