

Child Nutrition Programs (CNP) Equipment Automatic Approval

As per 2 CFR 200.439(2) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Part 439 (Equipment and other capital expenditures) requires that a School Food Authority (SFA), which is the same as a School Administrative Unit (SAU), and includes Residential Child Care Institution (RCCI) and Sponsors obtain prior written approval from the State Agency (State agency is New Hampshire Education Department, Office of Nutrition Programs and Services, NHED ONPS) before incurring the cost of a capital expenditure, including equipment. 2 CFR 200.439 defines "equipment" as any item or group of items purchased at the same time, of non-expendable personal property with a useful life of a year or longer and an acquisition cost which equals or exceeds the Federal per-unit capitalization threshold of \$5,000 (or a lower threshold set by State or Local level regulations).

According to SP 31-2014 and SP 39-2016 (attached), State agencies have the ability to create a list of equipment that is automatically approved for the amounts of \$5,000 or less; and therefore, does not need prior approval. Any equipment included on the NHED ONPS approved equipment list, found below, if the equipment is \$5,000 or less your SAU/RCCI/Sponsor will receive automatic State agency approval. Therefore, the SAU/RCCI/Sponsor may purchase those equipment items, following proper Federal, State or Local procurement policies, as applicable, without submitting a prior written request to NHED ONPS for approval. **If the equipment is on the list but exceeds \$5,000 you will be required to follow the state equipment approval process in addition to proper Federal, State or Local procurement policies.** Keep all documentation including list of approved equipment and purchase records for the equipment purchased, three plus the current year, as this is a reviewable item.

Note:

- 1. Any equipment under \$5,000 must follow proper Federal, State, or Local procurement policies, as applicable, without submitting a request to NHED ONPS for approval.**
- 2. This memo does not apply to the Fresh Fruit and Vegetable Program (FFVP) equipment purchases. Schools participating in the FFVP should contact Maddie Parker, Madeline.R.Parker@doe.nh.gov, at 603-271-3864 or Amanda Marshall, Amanda.A.Marshall@doe.nh.gov, at 603-271-3860.**

If an SAU/RCCI/Sponsor wants to purchase equipment that is NOT on the pre-approved list or if listed and exceeds \$5,000, the district MUST submit a written request for approval to NHED ONPS prior to purchasing the item.

During the Administrative Reviews, appropriate supporting documentation is needed to ensure that equipment purchases were made based on the approved equipment list or the approval of NHED ONPS prior approval process. Any equipment purchases that exceed \$5,000 that are identified as on the pre-approved list and not having received prior written approval will be considered an **unallowable** expense for the Child Nutrition Program and must be paid with other funds and not the non-profit food service account.

Per SP 31-2014, SAUs/RCCIs/Sponsors must seek prior approval for Equipment Purchases that are sole source purchases, or equal to or exceed \$5,000 documented on the NHED/ONPS approved equipment list.

NHED ONPS Prior Approval Process

1. Determine if equipment purchase does NOT have an automatic approval as listed on the NHED ONPS automatic approval equipment list (see attached).
2. Determine if equipment exceeds \$5,000.
3. If the equipment that is listed is equal to or less than \$5,000, you do not need to submit a request for approval. However, for review purposes keep documentation three plus the current year.
4. **If the equipment is NOT listed below and/or exceeds \$5,000, a prior approval request must be submitted to the NHED ONPS. Follow #5, 6, and 7 to submit a request for approval, if needed.**
5. Obtain **three quotes** for the piece of equipment to be purchased. *If your local level procurement policy and procedures do not require three quotes, the SFA must obtain what is required of its local policy.*
6. Complete the attached **Equipment Request Form** and attach the **quotes** to the form.
7. Submit the completed form and quotes to: Amanda.A.Marshall@doe.nh.gov If mailed, send to: Amanda Marshall, Education Department, 25 Hall Street, Concord, NH 03301.

****Equipment requests may take 1-2 weeks for approval***

NHED Child Nutrition Programs (CNP) Equipment List for Automatic Approval

SFAs must receive prior approval from the ONPS for any capital expenditure requests for equipment with a unit cost of \$5,000 or greater that is not included on this list.

Capital assets (equipment) typically purchased by SAUs/RCCIs/Sponsors for use in the Child Nutrition Programs that are pre-approved by NHED ONPS.

Equipment means an article of non-expendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the SAU/RCCI/Sponsor for financial statement purposes, or \$5,000.

Food Preparation Equipment:

- Mixers
- Slicers
- Food Processors
- Toasters
- Dough Rounder/Cutter
- Dough Sheeters
- Ice Machines
- Processing/Packaging Machines

Refrigerated and Low-Temperature Storage Equipment:

- Refrigerators (Walk-In, Reach-In, Pass Through, Under the Counter, Mobile)
- Freezers (Walk-In, Combination refrigerator/freezer, Chest style)
- Milk Coolers
- Blast Chillers/Freezers

Serving Equipment (Mobile or Modular):

- Cold Food Tables
- Salad Bars
- Hot Food Tables
- Display Cases
- Milk Coolers
- Serving Line
- Kiosks
- Warmers/Warming Cabinet

Cleaning Equipment:

- Commercial Sinks
- Floor Troughs
- Dish machines
- Water Heater Booster
- Washer and Dryer (for use by food service only)
- Waste Disposal Equipment

Table Equipment:

- Lunch Room Tables

Technology/Hardware/Software

(must be primarily used for Child Nutrition Programs)

- Computer Hardware
- Cash Registers
- POS Equipment (scanners, keypads, etc)
- Benefit Issuance Software for Program Management
- Nutrient Analysis Software

Cooking Equipment:

- Ovens
- Ranges
- Tilt Skillets
- Broilers
- Kitchen Exhaust Systems/Ventilation Hoods
- Greaseless Fryer
- Steamers (convection/tabletop)

- Steam Jacketed Kettles

**New Hampshire Education Department
Office of Nutrition Programs and Services
Equipment Request Form**

District/Org. Name: _____

SAU#/RA#: _____

School(s)/Sites requesting equipment: _____

Contact Person: _____

Email: _____

Phone: () _____ - _____

Equipment and Justification

(List each equipment item requested AND include justification – Attach three quotes to the request)

1. Equipment Name: _____

Justification of need:

2. Equipment Name: _____

Justification of need:

3. Equipment Name: _____

Justification of need:

State Agency Use Only:

#1. Approved Denied

#2. Approved Denied

#3 Approved Denied

Signature _____ Comments: