

Maine Department of Education Child Nutrition Program Pre-Approved Equipment List

REGULATION

- The United States Department of Agriculture (USDA) has issued guidance regarding the need for the School Food Authority (SFA) to seek preapproval from the State Agency (SA) for food service equipment purchases. The federal preapproval requirement as stated in the Office of Management and Budget (OMB) guidance and USDA regulations at 2 CFR 200.33 define “equipment” as tangible personal property (including information technology systems) having a useful life of one year or longer and a per-unit acquisition cost that equals or exceeds the lesser capitalization threshold established for financial statement purposes, \$10,000, or a lower threshold set by state or local level regulations.
- The objective is for the SA’s prior review and approval process to provide reasonable assurance that the equipment’s acquisition cost is necessary for program purposes and the SFA’s nonprofit school food service account can absorb the cost.
- This is in accordance to federal regulations 2 CFR Part 200 (Subpart E Cost Principles) and 2 CFR 200.439 (Equipment and other capital expenditures) that require a SFA to obtain the prior written approval before incurring the cost of a capital expenditure. Both the OMB guidance and Generally Accepted Accounting Principles identify equipment as a capital asset.
- Equipment purchases over the capitalization threshold will be reviewed during administrative reviews, as required by 7 CFR part 210.18, and audits, as required by 2 CFR 200.501. If any equipment purchases made as of January 1, 2015, are identified as unallowable due to not being on the preapproved list, and not going through the SA preapproval process, the School Nutrition Team would determine if a fund transfer from non-federal sources to the nonprofit school food service account would be required.
- The USDA guidance memo SP 39-2016: State Agency Prior Approval Process for School Food Authority (SFA) Equipment Purchases can be found at <https://www.maine.gov/doe/schools/nutrition/programs/equipmentassist>

PROCESS

- All equipment purchased must be deemed necessary, reasonable and allocable (2 CFR 200.403, 2 CFR 200.404, 2 CFR 200.405) for proper and efficient performance and administration of the Child Nutrition Programs (CNP) prior to purchasing.
- **NSLP Equipment Assistance Grant:** If an SFA seeks to purchase equipment using the NSLP Equipment Assistance Grant, the SFA should visit <https://www.maine.gov/doe/schools/nutrition/programs/equipmentassist> for additional guidance and resources. Additional grant-specific requirements may apply.
- **Equipment Purchase from Pre-Approved List:** If an SFA seeks to purchase equipment on this pre-approved list using Child Nutrition Program Federal reimbursement funds to purchase, the SFA must follow all applicable procurement regulations.
- **Equipment Purchase NOT on Pre-Approved List:** If an SFA seeks to purchase equipment not on this pre-approved list using Child Nutrition Program Federal reimbursement funds to purchase, the SFA must seek approval from the Maine Department of Education Child Nutrition Department prior to purchase by completing and emailing the Equipment Purchase/ Capital Expenditure Preapproval Request Form to child.nutrition@maine.gov and must follow all applicable procurement regulations.
- **Equipment Disposal:** Disposal of the equipment purchased with Federal funds shall be complaint with 2 CFR 200.313.

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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) obtain prior written approval from the State Agency (SA) before incurring the cost of a capital expenditure, including equipment.

MEMO CODE: SP 39 2016 Allows SA's to develop a list and criteria for capital assets typically purchased by SFA's. Any equipment established on the approved equipment list has received automatic SA approval and can be purchased following competitive Federal, State, or local procurement procedures without submitting a request to the SA for approval.

If an SFA chooses to select equipment not included on the approved list, the SFA must submit a request for approval to the SA prior to purchasing the item as required by 2 CFR 200.439.

Any equipment that is below your SFA's small purchase threshold or under \$10,000 and on this list is pre-approved for purchase by the state agency. Please make sure to refer to your local procurement policy to ensure that you are competitively shopping following the correct guidelines.

<p>Prep Equipment</p> <ul style="list-style-type: none"> • Mixers • Slicers • Food Processors • Buffalo Chopper • Produce Wash Sink • Work Tables <p>Cooking Equipment</p> <ul style="list-style-type: none"> • Ovens (combi, convection, conventional) • Ranges • Steamer • Tilt Skillets • Steam Kettles • Toasters • Griddles <p>Storage Equipment</p> <ul style="list-style-type: none"> • Refrigerators (reach-in, walk-in, under the counter, mobile, pass thru) • Freezers (reach-in, walk-in, chest) • Milk Coolers • Display Case • Can Racks 	<p>Serving Equipment (mobile)</p> <ul style="list-style-type: none"> • Salad Bar • Steam Table • Sneeze Guards • Heated Transport Cart • Insulated Transport Cart • Holding Cabinet • Proofing Cabinet • Ice Machine <p>Cleaning Equipment</p> <ul style="list-style-type: none"> • Dish Machine • Water Heater Booster • Pot/Pan Sink • Hand Sink
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