# SCNP Memo #2024-2025-21


**COMMONWEALTH of VIRGINIA
Department of Education**

DATE: September 12, 2024

TO: Directors, Supervisors, and Contact Persons Addressed

FROM: Sandra C. Curwood, PhD, RDN, ***Sandy***

## SUBJECT: Increased Equipment Expenditure Threshold

Effective October 1, 2024, the per-item threshold for equipment purchases will increase from $5,000 to $10,000. This means that pre-approval from the Virginia Department of Education, Office of School and Community Nutrition Programs (VDOE-SCNP) will only be needed for a single piece of equipment that costs $10,000 or more and is not on the Virginia SCNP Approved Equipment List, found in Attachment B and in SNPWeb Download Forms. Please note that school food authorities (SFAs) and community sponsors must purchase these items using proper federal, state, or local procurement procedures.

This update is part of a revision to 2 CFR 200, Title 2, known as the [Uniform Guidance](https://www.cfo.gov/coffa/uniform-guidance-coffa/2024/). The Uniform Guidance aims to improve program performance, reduce the administrative burden on award recipients, and mitigate the risk of inappropriate use of federal funds. The increase in the per-item threshold for equipment is in recognition of inflation and other contributing factors.

The Office of Management and Budget Guidance and Federal Regulations:

* 2 CFR 200.407: Requires a grantee or subgrantee to obtain prior written approval from its awarding agency before incurring the cost of a capital expenditure.
* 2 CFR 200.439:Capital expenditures for special purpose equipment are allowable as direct costs, provided that the unit cost of $10,000 (new rate effective October 1, 2024), or more receives prior written approval of the awarding agency or pass-through entity. This does not include taxes, shipping, fees, installation, or other associated costs for the equipment.
* 2 CFR 200.1: Defines equipment as any item of nonexpendable personal property with a useful life of more than one year and an acquisition cost that equals or exceeds the federal per-item capitalization threshold or a lower threshold set by state or local-level regulations.

### Submitting Equipment Purchase Pre-Approval Requests

SFAs and community sponsors must submit a request for approval, using the Equipment Purchase Pre-Approval Request Form (Attachment A) before making a capital expenditure purchase with a per-unit cost over $10,000 and is not included on the Virginia SCNP Approved Equipment List (Attachment B). Both attachments are also found in SNPWeb Download Forms.

**Approval of the 2024 NSLP Equipment Assistance Grant does not count as prior written approval for items with a per-unit cost of** **$10,000 or more and are not included on the Virginia SCNP Approved Equipment List.** SFAs must go through the process of submitting an equipment purchase pre-approval request as described above. Please see [SCNP Director’s Memo 2024-2025-04](https://www.doe.virginia.gov/home/showpublisheddocument/56149/638575911312030000) for information on the 2024 NSLP Equipment Assistance Grant application, including the application timeline.

### For more Information

For more information, please contact your assigned regional specialist or the SNP policy mailbox via email at SNPpolicy@doe.virginia.gov.

SCC/ST/cc

### Attachments

A: [Equipment Purchase Pre-Approval Request Form](https://www.doe.virginia.gov/home/showpublisheddocument/39206/638064509639070000) (DOCX)

B: Virginia School and Community Nutrition Programs Approved Equipment List (DOCX)