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Scratch Cooking Pilot Program: Start-Up Funding Grant

Program Overview

The Early Childhood Education and Care Department (ECECD) Scratch Cooking Pilot Program aims to promote healthier meal preparation practices in child and adult care centers by providing financial support and public recognition. This Start-Up Grant application is for start-up funding to help initiate or enhance your scratch cooking efforts at your organization. To qualify for this Start-Up Grant, you must also have applied for the Scratch Cooking: Reimbursement Incentive Grant.

Applicants may elect to apply for one-time start-up grant funding to support their scratch cooking efforts. Awards are contingent on available funding and are limited to a maximum of \$50,000 per award. The funding is based on reimbursement of purchases and must be spent within 60 days of receiving the grant award notice. Applying for Start-Up Grant funds is optional and separate from the per-meal incentive.

I. **Eligibility Criteria:** To qualify for the Start-Up Grant, applicants must:

- a) Have an active Cooperative Agreement in place with ECECD (or are under a sponsoring organization that has a Cooperative Agreement with ECECD) and a Child and Adult Care Food Program (CACFP) EPICS account.
- b) Applicant must be an independent child or adult care institution, or unaffiliated child care center. Home providers are not eligible for the Scratch Cooking Pilot Program at this time.
- c) Be actively participating in CACFP and serving Lunch and/or Supper meals.
- d) Operate as a self-prep food service in a permitted kitchen that is either on site or located at a central kitchen.
- e) Have also applied for the Scratch Cooking Pilot: Reimbursement Incentive Grant.

II. **Criteria for Selection and participation in the Start-Up Grant:**

- a) Applicants must submit an application.
- b) Applicants must also have submitted an application for the Scratch Cooking Pilot: Reimbursement Incentive Grant.
- c) Applicants requesting start-up funding must provide:
 - i. A total requested amount (not to exceed \$50,000).
 - ii. A detailed budget breakdown and explanation of how funds will be spent within the 60-day timeframe.
 - Allowable Use of Funds: These funds may be used for equipment purchases, supplementing wages for kitchen staff, staff trainings, minor facility modifications to meet food safety or sanitation permitting, or other allowable expenses that strengthen an organization's capacity to prepare scratch-cooked meals.
 - Individual equipment and minor facility modification requests may not exceed \$5,000 per item, per state procurement standards.

- iii. A narrative explaining how the requested start-up support will contribute to the long-term sustainability of the applicant's scratch cooking practices.

III. **Distribution of Start-Up Funds**

- a) The amount awarded will be based on the justification of the amount requested and rationale outlined in the organization's purchasing plan including whether the costs are reasonable, and the number and size of requests received as compared to the funding that is available.
 - i. A maximum of \$200,000 total is available for all Start-Up Grant applicants selected for funding.
- b) Awarded organizations will first be notified that they were awarded the Scratch Cooking Pilot: Reimbursement Incentive Grant.
- c) Based on remaining and available funding, awarded organizations will then be notified if they are awarded the Scratch Cooking Pilot: Start-Up Grant.
 - i. Awarded organizations will have up to 60 days (after receiving the award notice) to spend their Start-Up Grant funds.
- d) The funding is based on reimbursement of purchases. Awarded organizations will be reimbursed through standard mechanisms established by the ECECD Family Nutrition Bureau (FNB) using the NM Department of Finance Administration's (DFA) ACH process. Awarded organizations are expected to spend money out-of-pocket to make approved purchases, then email the invoice, receipt and excel spreadsheet/purchase log to ECECD FNB for approval by the end of each month. ECECD will then process reimbursement payments.

IV. **Verification of Intended Outcomes**

- a) Awarded organizations will email FNB their invoices, receipts, and tracking log. FNB staff will verify that all purchases were complete.
- b) Food Security Coordinator and/or CACFP Compliance Officers within FNB will conduct verification visits at least once during the year to ensure that awarded organizations are adhering to the criteria for the Scratch Cooking Pilot Program.
- c) Non-Compliance and Recoupment Process:
 - i. *Support & Technical Assistance: (30-60 days)*
If awarded organizations are not able to spend their full grant award in this time, they must request, in writing, an extension ahead of time. FNB staff are available for questions and assistance. Funds cannot be spent past May 31, 2026.
 - ii. *Recoupment & Eligibility Actions (by 60-day deadline)*
If the awarded organization does not spend Start-Up Grant funds by the 60-day deadline (or later if they request an extension), FNB may recoup Start-Up Grant funds. FNB may suspend or remove the organization from the Pilot Program, which could affect eligibility for future incentives.

Scratch Cooking Pilot: Start-Up Grant Application Scoring Criteria

Category	Description	Points
Organizations submitted complete applications	Submitted complete applications for both: <ul style="list-style-type: none"> • Scratch Cooking Pilot: Reimbursement Incentive Grant • Scratch Cooking Pilot: Start-Up Grant 	20

Grant Budget	Submitted a total budget and detailed budget breakdown, rationale, and explanation of how funds will be spent within the 60-day timeframe.	40
Narrative Explanation	Provides strong rationale for how start-up funds will increase scratch-cooking capacity and help sustain scratch cooking efforts in the long-term.	40
Total Possible Points		100

Applicants must receive a score of 50 or above to be considered for an award. Award amounts are contingent on available funding, not to exceed \$50,000 per awarded organization.

Scratch Cooking Pilot: Start-Up Grant Timeline

Date Range	Activity
Dec 15–Jan 7	Program announcement and application period
Jan 7 – Jan 23	Scratch Cooking Pilot: Reimbursement Incentive & Start-Up Grant Applications review and scoring by FNB staff
	Selection of Awardees based on available funding
Within 60 days of award notification	Expenses for Start-Up Grant funds are incurred, and invoices are submitted to FNB.
Jan–May	Verification visits by Food Security Coordinator & FNB Compliance Officers. TA provided, if needed.

[APPLY NOW: Application for Scratch Cooking Pilot: Start-Up Grant](#)

Note about Link: You will receive your personalized Start-Up Grant application link in your email after you have applied for the Scratch Cooking Pilot: Reimbursement Incentive Grant. This is the general link with application instructions.

ALL GRANTEES MUST AGREE TO THE FOLLOWING,

Fund Accountability

The Grantee shall provide a strict accounting of all monies issued. The Grantee shall maintain fiscal records, follow generally accepted accounting principles, and account for all receipts and disbursements of funds transferred to the Grantee pursuant to this Grant. The Grantee will include an account of all monies made subject to this Grant in an annual audit and will provide ECECD with a copy of the annual audit. The Grantee shall be in good standing with all of contractual, fiscal, and reporting requirements to be eligible for all fiscal years covered under this award, if applicable.

Maintenance of Records

The Grantee shall maintain detailed time and expenditure records that indicate the date, time, nature and cost of services rendered during the Grant's term and effect and retain those records for a period of three (3) years from the date of final payment under this Grant. The records shall be subject to inspection by ECECD, the New Mexico General Services Department/State Purchasing Division and the State Auditor. ECECD shall have the right to audit billings both before and after payment. Payment under this Grant shall not foreclose the right of ECECD to recover excessive or illegal payments.

Confidentiality

Any and all confidential information provided to or developed by the Grantee in the performance of this Grant shall be kept confidential and shall not be made available to any individual or organization by the Grantee without the prior written approval of ECECD.

Amendment

- A. This Grant shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.
- B. If ECECD proposes an amendment to the Grant to unilaterally reduce funding due to budget or other considerations, the Grantee shall, within thirty (30) days of receipt of the proposed Amendment, have the

option to terminate the Grant, pursuant to the termination provisions as set forth in "Termination below, or to agree to the reduced funding.

Assignment

The Grantee shall not assign or transfer any interest in this Grant or assign any claims for money due or to become due under this Grant without the prior written approval of ECECD.

Subcontractors

The Grantee shall not subcontract any portion of the services to be performed under this Award without the prior written approval by the Agency Secretary or Designee. No such subcontract shall relieve the primary Grantee from any obligations and liabilities under this Award, nor shall subcontract obligate direct payment from ECECD. The Grantee must notify subcontractors that they are subject Maintenance of Records of this Grant.

Applicable Law

The laws of the State of New Mexico shall govern this Grant. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1(G). By execution of this Grant, Grantee acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Grant.

Acquisition of Property

The parties agree that neither party shall acquire any property as the result of this Grant, unless approved by ECECD or defined in the scope of work, and under \$5,000.00 for each piece of equipment.

Liability

Each party shall be solely responsible for fiscal or other sanctions occasioned as a result of its own violation or alleged violation of requirements applicable to the performance of the Grant. Each party shall be liable for its actions according to this Grant subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, § 41-4-1, et. seq., as amended.

Execution of Documents

ECECD and the Grantee agree to execute any document(s) necessary to implement the terms of this Grant.

Equal Opportunity Compliance

The Grantee agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Grantee assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation, or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Grant. If Grantee is found not to follow these requirements during the life of this Grant, Grantee agrees to take appropriate steps to correct these deficiencies.

Workers Compensation:

The Grantee agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Grantee fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Grant may be terminated by ECECD.

New Mexico Employees Health Coverage (Governmental entities are excluded from this provision):

- A. If Grantee has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the Grant, Grantee certifies, by signing this award, to have in place, and agrees to maintain for the term of the Grant, health insurance for those employees if the expected annual value in the aggregate of any and all Grant between Grantee and the State exceed \$250,000 dollars.
- B. Grantee agrees to maintain a record of the number of employees who have: (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the State of New Mexico.
- C. Grantee agrees to advise all employees of the availability of State publicly financed health care coverage.

Background Checks:

Grantees that have or could have primary custody of children for at least twenty hours per week are required under NMSA 1978, § 32A- 15-1, et seq.; NMSA 1978 § 9- 29-8 (H); NMAC 8.8.3, et seq. and other applicable regulations to have background checks completed on all operators, employees, staff member, volunteers, or student interns. All Information Technology (IT) Grantees are also required to undergo a background check. The Grantee must comply with the fingerprint based criminal background investigation process, as per current ECECD policy. The applicant for the background check is required to pay all related fees. Nationwide as well as state abuse and neglect background checks on required individuals will be conducted in accordance with NMAC 8.8.3 and all other applicable state and federal regulations and standards. An eligibility letter must be in the IT Grantee, Grantee operator, employee, staff member, volunteer or student intern's personnel file prior to that individual having access to data or having any direct contact with children participating in programs delivered by ECECD or any Grantee providing services for the ECECD.

Health Insurance Portability and Accountability Act of 1996:

The Contractor agrees to comply with the Health Insurance Portability and Accountability Act of 1996.

Termination

- A. **Termination:** ECECD may terminate this Grant for convenience or cause. The Grantee may only terminate this Grant based upon the ECECD's uncured, material breach of this Agreement.
- B. **Notice and Opportunity to Cure.**
 - a) ECECD shall give the Grantee written notice of termination at least thirty (30) days prior to the intended date of termination.
 - b) The Grantee shall give ECECD written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall: (i) identify all the Department's material breaches of this Grant upon which the termination is based; and (ii) state what ECECD must do to cure such material breaches. Grantee's notice of termination shall only be effective: (a) if ECECD does not cure all material breaches within the thirty (30) day notice period; or (ii) in the case of material breaches that cannot be cured within thirty (30) days, ECECD does not, within the thirty (30) day notice period, notify the Grantee of its intent to cure and begin with due diligence to cure the material breach.
 - c) The Grant may be terminated immediately upon written notice to the Grantee: (a) if the Grantee becomes unable to perform the services contracted for, as determined by the ECECD; (ii) if, during the term of this Grant, the Grantee is suspended or debarred by the State Purchasing Agent; or (iii) the Grant is terminated pursuant to, "FUNDING", of Section III.
- C. **Liability:** Except as otherwise expressly allowed or provided under this Grant, ECECD's sole liability upon termination shall be to pay for acceptable work performed prior to the Grantee's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Grant. The Grantee shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE ECECD'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE GRANTEE'S DEFAULT/BREACH OF THIS GRANT OF AWARD.
- D. **Termination Management:** Immediately upon receipt by either ECECD or the Grantee of notice of termination of this Grant, the Grantee shall: (1) not incur any further obligations for salaries, services or any other expenditure of funds under this Grant without written approval of ECECD; (2) comply with all directives issued by ECECD in the notice of termination as to the performance of work under this Grant; and (3) take such action as ECECD shall direct for the protection, preservation, retention or transfer of all property titled to the Department and records generated under this Grant. Any non-expendable personal property or equipment provided to or purchased by the Grantee with contract funds shall become property of ECECD upon termination and shall be submitted to the ECECD as soon as practicable.