

**SPECIAL MILK PROGRAM (SMP)**

**Program Overview - Pricing Program with Free Milk Option**

This checklist is intended as a tool for schools that participate in USDA’s Special Milk Program (SMP) and are accepting applications and claiming free milk for eligible students.

If you have questions, contact a Nutrition Program Consultant Nutrition Program Consultant: <https://dpi.wi.gov/school-nutrition/directory#NPC>.

# Section I: SMP Pricing Plan with Free Milk Option

* SMP Reimbursement is maximized to reduce charge to student.
* **Note:** Recommended formula for calculating student charge: Average per ½ pint invoice price $. \_\_\_\_ + 2¢ – current paid reimbursement **$0.22** = $. \_\_\_\_ **per 1/2 pint charge.** Multiply charge by number of school days if SFA is charging an annual, semester, or quarterly milk fee.
* Money collection and counting procedures are consistent with description provided on annual online contract.
* ½ pint equivalents of milk/milk substitute served to students is claimed in the appropriate categories (“free milk” and “paid milk”).
* Milk/milk substitute is provided free to students from households with approved free milk applications or were directly certified (optional).
* Milk/milk substitutes are sold to the students not eligible for free milk.
* Current press release is sent to local media and community grassroots organization.
* Determining Official and Hearing Official are consistent with those stated in annual online contract.
* Online contract is updated when there are changes in staff or staff assignments.
* Current free milk notice and application is sent to households of all enrolled students at the beginning of each school year and provided to households when enrolling new students during the school year, as found on the [SMP webpage](https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk), then under Pricing with Free Milk Option, Program Materials section.
* Free milk applications are correctly approved or denied for free milk/milk substitute benefits by designated determining official using current income guidelines. Refer to current USDA [***Eligibility Manual for School Meals***](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/eligibility-manual.pdf) and Income Guidelines.
* Households are properly notified of the milk benefit and receive written notice if the application is denied.
* Written notices provided to households denied free milk contain required information.
* Free milk benefits are carried over from previous school year for the first 30 school days of the new school year.
* All children in the household receive free milk benefits if one student is approved.
* Direct Certification (DC) is optional for SFAs that participate only in the SMP. If the SFA chooses to directly certify students, they will notify the household when the student matches for a milk benefit.
* Maintain an updated listing of students approved/directly certified for free milk (paper or electronic report in Point of Service (POS) system) with approval status, dates of approval, change in status, and the date if the student withdraws. This is called a Benefit Issuance (BI) list.
* Policies and procedures do not overtly identify students approved for free milk/milk substitute.
	+ The SFA conforms with confidentiality and disclosure requirements pertaining to the information on free milk applications and the direct certification match results.
	+ Parental consent is obtained annually and on file if information on student application or eligibility for free milk is disclosed for other purposes, such as school meals provided at no charge, waiving athletic fees and/or other school fees, and/or for community activities and initiatives for economically disadvantaged.

# Section II: Recordkeeping and Reporting

* Electronic or paper copy of most current SMP permanent agreement/policy statement is on file.
* Online contract changes are completed throughout the year as they occur.
* Milk/milk substitute receipts, billing statements and/or invoices that show amount of milk delivered each month (e.g., number of ½ pints, gallons), milk types delivered, and total cost of monthly milk purchases are on file for the past three years plus the current year.
* Documentation for daily POS count of milk/milk substitute served to students for monthly claims.
* Monthly reimbursement claims are based on accurate POS counts obtained when the student receives the milk.
* Monthly claims do not include adult milks, milk used for classroom projects or cooking, or milk served to non-students.
* Record of income, expenses, and net cash balance for each school year.
* Records pertaining to the SMP are maintained for three years plus the current year.

# Section III: Financial Management

* Milk program revenue is used only for purposes related to the SMP.
* Milk/milk substitutes purchases are only expense paid with SMP funds.
* All SMP expenses are supported by receipts, invoices, payroll records, time study for labor when staff person has other job functions, and/or statement from utility company. Expenses are appropriately prorated, if applicable.
* The price charged to students matches the price listed on the online contract.
* Price for milk/milk substitute available to non-students (staff, visitor, volunteers, children not enrolled in school, etc.) covers per ½ pint cost from the milk vendor (there is no reimbursement to reduce their cost).
	+ N/A - Milk/milk substitutes are only available to students.
* The cash balance remaining on June 30, is carried over into the new school year and shown as the beginning fund balance on July 1.
* The current cash balance for the SMP does not exceed three-month’s operating costs unless the SFA has a plan for the accumulated balance, such as the purchase of new milk coolers.

# Section IV: Purchasing

*Information and resources are posted on the* [*Procurement*](https://dpi.wi.gov/school-nutrition/program-requirements/procurement?rdt=) *webpage.*

* SFA documents efforts made to maximize open and free competition for milk and other SMP purchases by: ­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Making attempts to obtain three price quotations following the Micro or Small Purchase Methods. Note these methods may be used for purchases that are below the USDA’s and DPI’s simplified acquisition threshold (currently $3,500 for micro and $150,000 for small purchases). SFA may choose a lower threshold.
* Following formal bid procedures if purchases exceeded USDA’s and DPI’s simplified acquisition threshold (currently $150,000) or SFAs lower threshold.
* If competition is limited and less than two (2) bids or proposals were received, school documented reasons for limited competition. Example: Milk distributors who do business were contacted to ask why there was no response to pricing requests, the responses were summarized in writing and the summaries are kept with procurement records.
* SFA has a process to ensure products match those specified in the procurement documentation and the pricing in the awarded contract is reflected on invoices paid by the SFA.
* Milk coolers and other purchased equipment that is used by other organizations are purchased based on a pro-rated basis for the time the item is utilized by the SMP.

# Section V: Milk Selection(s)

* Milk types are limited to different types for students at different age levels to include: fat-free, low-fat (1%) milk, fat-free or low-fat lactose-reduced milk, fat free or low-fat lactose-free milk, fat-free or low-fat buttermilk, fat-free or low-fat acidified milk. A variety of milk types is not required for this program.
* **1 Year old:** Unflavored whole milk only must be served.
* **2-5 years old (not yet in Kindergarten):** Unflavored low-fat (1%) or fat-free (skim) milk is permitted. Flavored milk is not permitted for children two through five years old in a preschool setting. Students enrolled in kindergarten that are five years old may follow the NSLP milk requirements, which allows for fat-free (skim) or low-fat (1%) flavored or unflavored milk.
* **6 years old and older:** Flavored or unflavored fat-free (skim) or unflavored low-fat (1%) milk is permitted.

# Section VI: Food Safety

* Pasteurized fluid milk which meets state and local standards (Grade A in Wisconsin) is purchased.
* Milk deliveries are monitored to ensure milk is delivered in refrigerated truck and held at 45° F or less. Provisions must be made to ensure milk is cooled to 41**°** F within 4 hours, if at 45**°** F at time of delivery.
* “Sell dates” are checked on cartons or bulk containers and provisions are made to return or discard outdated product.
* Inventories of milk/milk substitutes are rotated on first-in, first-out basis (FIFO).
* Adequate storage and proper refrigeration are provided to keep milk within a temperature range of
**35° to 41°** F from delivery until milk is served.
* Provisions are made to serve milk directly from refrigerated milk cooler, insulated milk barrel or cooler or serve milk immediately after removing from refrigeration to minimize time it is left at room temperature.
* Unopened cartons of milk served to students and/or left at room temperature and/or not kept under mechanical refrigeration are discarded.
* Appropriate and accurate thermometers are kept in each milk refrigeration unit.
* Thermometers are checked for accuracy, re-calibrated or replaced, as needed.
* Temperature logs for each milk refrigeration units are recorded daily when school is in session.
* Appropriate action is taken when temperature registers above **41°** F. (e.g., re-checking temperature within hour, following procedures for equipment maintenance/repairs) and noting action taken on temperature logs.
* Completed daily temperature logs are kept for a minimum of 6 months from the time the temperature was recorded.
* Routine cleaning of milk refrigeration units occurs to keep interior and exterior surfaces clean.
* Preventative maintenance schedules are followed to keep milk refrigeration units in proper working order and maintain adequate temperatures (accurate thermostat; coils, air filters, and vents are kept clean; free of excess internal condensation, seals, latches, and gaskets in good condition).
* Single service items (straws, napkins, cups), if used, are properly stored in their original packaging (on shelves at least 6” off floor, in areas not exposed to splash, drips, or other contamination sources. Straws are wrapped or properly dispensed.
* Current license is obtained and on site when food service is under contract with a food service management company or receive meal/milk from a vendor.

# Section VII: Civil Rights

* The USDA non-discrimination statement is included on all SMP related information going out to households. Current non-discrimination statement is posted on the [Civil Rights](https://dpi.wi.gov/school-nutrition/program-requirements/civil-rights) webpage.
* The *“And Justice for All”* poster is displayed in a prominent place visible (and readable) to program participants where milk/milk substitutes are served.
* Appropriate accommodations are made milk substitutions requests supported by medical statement signed by a state licensed health care professional (also referred to as licensed medical practitioner). In Wisconsin, this is anyone authorized to write medical prescriptions under state law and includes physicians, dentists, ophthalmologists, physician’s assistants, nurse practitioners, and podiatrists. A medical statement template and additional information is posted on the [Special Dietary Needs](https://dpi.wi.gov/school-nutrition/program-requirements/special-dietary-needs) webpage. The statement must be kept on file at the SFA.
* **Milk** substitutes provided for students without a statement signed by a licensed medical authority is at the discretion of the school and must be a nondairy beverage with same nutritional profile as cow’s milk. (Prior approval by DPI is required to claim milk substitutes for reimbursement.)
* SFA provides annual Civil Rights training for front-line staff/volunteers and maintains appropriate documentation beginning with the 2016-17 school year. Note: [Power point presentation](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/smp-civil-rights-presentation.pdf) and [attendance record](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/civil-rights-training-attendance-record.doc) posted on the [Special Milk Program](https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk) webpage under SMP only requirements.
* SFA completes annual Civil Rights Compliance Self Evaluation (PI-1456) for SMP Only Schools form.