WISCONSIN SCHOOL NUTRITION
IN A NUTSHELL

The Special Milk Program (SMP): Pricing Without Free Milk Option

# Program Overview

## Milk Count

* All children are charged the same price for milk, regardless of eligibility status.
* All milk is claimed in the paid category per ½ pint equivalent (8 fl oz).
* School Food Authorities (SFAs) must record the total number of half-pint equivalents (8 fl oz) of milk served at the point of service (POS).
	+ If SFAs charge for milk by half-pint equivalents (8 fl oz) on a daily basis, the POS system must track by student name for billing.
	+ If SFAs collect milk fees on an annual, semester, or quarterly basis, the POS can record by the total number of milks served.

## Pricing Plan

* SMP reimbursement is maximized to reduce charge to student.
* Recommended formula for calculating student charge:

Average ½ pint cost per invoice price $. \_\_\_ + 2 cents – current paid reimbursement = $. \_\_\_ **per ½ pint change**

* Money collection and counting procedures are consistent with description provided on annual online contract.

## Recordkeeping and Reporting

* Electronic or paper copy of the most current SMP permanent agreement/policy statement is on file.
* Online contract changes are completed throughout the year.
* Records for the Special Milk Program (SMP) must be kept for three years plus the current school year.
	+ Milk/milk substitute receipts
	+ Billing statements
	+ Invoices that show amount of milk delivered each month, milk types delivered, and total cost of monthly milk purchases
	+ Daily point of service (POS) count of milk/milk substitute are served to students for monthly claims.
* Monthly reimbursement claims are based on point of service (POS) counts obtained when the student received the milk.
* Monthly claims do not include adult milks, milk used for classroom projects or cooking, outdated/wasted milk, or milk served to non-students.
* Record of income, expenses, and net cash balance for each school year.

## Financial Management

* Milk program revenue is used only for purposes related to the program.
* Milk/milk substitutes purchases are the only expense paid with SMP funds.
* All SMP expenses are supported and prorated if applicable
	+ Receipts
	+ Invoices
	+ Payroll records
	+ Time study for labor when staff person has other job functions
	+ Statement from utility company
* SMP reimbursement is maximized to reduce the charge to students.
	+ Visit the [Financial Management Webpage](https://dpi.wi.gov/school-nutrition/program-requirements/financial-management) for the current reimbursement rate
* The price charged to students for milk is determined with the intent of keeping the cost of milk as low as possible.

$\_\_\_\_ (half-pint cost) + 2¢ – $\_\_\_\_ (reimbursement) =

$\_\_\_\_ (half-pint price) X 180 days =

$\_\_\_\_ (annual charge)

* The price charged to students matched 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 the cost per ½ pint of milk from the vendor,
	+ There is no reimbursement for milk served to non-students.
* The cash balance remaining on June 30, is carried over into the new school year 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.

## Purchasing

* SFA documents efforts made to maximize open and free competition for milk and other SMP purchases.
* If competition is limited and less than two bids or proposals were received, SFA must retain documentation of reasons for limited competition.
* 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 utilize by the SMP.
* For more information, review the [Procurement Webpage](https://dpi.wi.gov/school-nutrition/program-requirements/procurement?rdt=).

## Milk Selection

* Milk types are specific to student age levels.
	+ **1 year old:** Unflavored whole milk must be served
	+ **2-5 years old (not yet in kindergarten):** Unflavored low fat (1%) milk or fat-free (skim) milk is allowed.
	+ **6 years old and older:** Flavored or unflavored fat-free (skim) or low-fat (1%) milk is allowed.
* Milk variety is not required in the SMP.

## Food Safety

* Pasteurized fluid milk which meets state and local standards (grade A in Wisconsin) is purchased.
* Milk is delivered in a refrigerated truck and held at 45oF or less.
	+ Milk is cooled to 41oF within 4 hours.
* Proper storage and refrigeration are maintained to keep milk within a temperature range of **35oF to 41oF.**
* Temperature logs are completed daily and kept a minimum of 6 months.
* Accurate thermometers are used and re-calibrated or replaced as needed.
* Proper cleaning of milk refrigeration is completed regularly.
* For more information, review the [Food Safety Webpage](https://dpi.wi.gov/school-nutrition/program-requirements/food-safety).

## Civil Rights

* The USDA non-discrimination statement is included on all SMP related information going out to households,
* The “And Justice for All” poster is displayed in a prominent place visible (and readable) to program participants where milk/milk substitutes are served.
* SFA provides annual Civil Rights training for front-line staff/volunteers and maintains appropriate documentation.
* SFA completes the [SMP-Only Civil Rights Self Compliance Form (PI-1456)](https://dpi.wi.gov/sites/default/files/imce/forms/doc/f1456.doc) annually by October 31.
* See the [Civil Rights Webpage](https://dpi.wi.gov/school-nutrition/program-requirements/civil-rights) for the current non-discrimination statement and annual training.

## Special Dietary Needs

* Appropriate accommodations are made for milk substitution requests are supported by a signed medical statement from a licensed health care professional.
	+ In Wisconsin, a health care professional 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 Webpage.](https://dpi.wi.gov/school-nutrition/program-requirements/special-dietary-needs) The statement must be kept on file at the SFA.
* Milk substitutes provided for students without a signed medical statement is at the discretion of the SFA.
	+ Nondairy beverages with the same nutritional profile as cow’s milk must be given.
	+ Prior DPI approval is required to claim milk substitutes not supported by medical statements for reimbursement.