

Annual Requirements for the USDA Special Milk Program

***Please note:** this calendar is for SFAs that only operate the SMP. This is not for School Food Authorities (SFAs) that also operate the National School Lunch Program. If SFA participates in NSLP, refer to the [General Calendar](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/calendar-of-requirements-general.pdf) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/calendar-of-requirements-general.pdf).

To ensure program compliance please distribute a copy of this calendar to each staff person responsible for completing the following tasks related to the operation of the Special Milk Program (SMP). All required program related materials must be retained by the SFA for three (3) years plus the current year of operation for audit compliance.

Requirement	Due Date	Initials	Date
<p>USDA Special Milk Program Online Contract Update/renew the USDA SMP contract with DPI (http://dpi.wi.gov/school-nutrition/milk-programs/special-milk). The contract must be updated before each school year. The “end date” for programs submitted on the contract must include summer school dates, if any. Actual approval of contracts will not begin until after the DPI system roll-over in July. The contract manual can be accessed on the Special Milk Program webpage (http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/smp-contract-manual.pdf)</p>	May or June – refer to annual DPI memo for exact date		
<p>Procurement (Purchasing) Meet federal procurement (purchasing) requirements by documenting efforts to maximize open and free competition. SFAs must document informal procurement attempts to obtain a minimum of three price quotations if annual purchases for SMP are under the small purchase threshold (less than \$250,000). A log for informal procurement can be found on the Special Milk Program webpage (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/smp-informal-procurement-log.docx). Formal procedures (Invitation for Bids or Requests for Proposal) may be used for any product and/or service that exceeds that threshold. Examples of solicitation documents for milk bids can be found on the Procurement webpage (http://dpi.wi.gov/school-nutrition/procurement). SFAs may also utilize micro-purchasing for products or services if the transaction amount does not exceed \$10,000. Note, your SFA may have a lower threshold. Purchases costing less than the micro-purchase threshold can be awarded without soliciting competitive price quotations if the price is reasonable. To the extent practicable, purchases must be distributed equitably among qualified suppliers with reasonable prices. This distribution of purchases among qualified suppliers can happen in one of two ways: at the time of the purchase or over several purchasing events. For example, a school procuring milk may purchase them either:</p> <ul style="list-style-type: none"> • from various suppliers at the same time (the total of the purchases cannot exceed \$10,000) or • choose one supplier for the purchase of the milk and another supplier the next time milk needs to be purchased (each of the purchases cannot exceed \$10,000) <p>Ways to verify the reasonableness of a price is to compare previous purchases, have personal knowledge of the item being purchased, or compare to similar items being purchased. Records need to be kept for all purchases regardless of the procurement method used, including micro-purchases. Review the online procurement training series on the Procurement Training webpage (http://dpi.wi.gov/school-nutrition/procurement/training). It includes the following topics:</p> <ul style="list-style-type: none"> • Introduction to Procurement • Micro Purchase Method • Small Purchase Method <p>See the <i>SMP Milk Type Requirements</i> on page 3 for milk requirements by age.</p>	Prior to start of school year		

Annual Requirements for the USDA Special Milk Program (Continued)

Requirement	Due Date	Initials	Date
<p>Milk Pricing for Student (<i>Applicable only to Pricing Plan and Pricing Plan with Free Milk options</i>) Reimbursement should be maximized to reduce the cost of milk for students. It is recommended to charge a student the difference between the anticipated half-pint milk cost and the reimbursement rate. An acceptable add-on to cover any milk price adjustments and administrative costs associated with the SMP program is \$0.02. Documentation needs to be maintained to justify milk price adjustments and administrative costs greater than \$0.02.</p> <p>Example: $\frac{1}{2}$ pint cost \$__ + 2¢ - reimbursement \$__ = \$__ $\frac{1}{2}$ pint price X 180 days = \$__ annual charge</p>	Prior to start of school year		
<p>Direct Certification (DC) (<i>Optional only for the Pricing Plan with Free Milk option</i>) If operating the SMP as Pricing with Free Milk, SFAs may choose to use the online Direct Certification Program to qualify students for free milk benefits. For those students qualifying for free milk, send the DC notification letter, found in the Free Milk application packet under the SMP Pricing with Free Milk Option heading of the Special Milk Program webpage (https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk), to the household promptly. It is not a requirement to run DC, but it is beneficial to help the SFA identify students for free milk benefits. The matching database is updated weekly. Maintain all original DC match lists at the SFA. DC resources can be accessed on the Direct Certification webpage (http://dpi.wi.gov/school-nutrition/direct-certification)</p> <p>Note: Free match codes include: S, T, O, E, M and G. The Z and N codes do <u>not</u> match to free milk benefits.</p>	Run DC after July 1 near start of the school year before application distribution and as needed throughout the school year to qualify additional students for free milk benefits		
<p>Free Milk Application (<i>Required for Pricing Plan with Free Milk option only</i>) Print current Free Milk application prototype materials from DPI's website. Distribute at the beginning of the school year after July 1 to ALL households (excluding students found on DC, if applicable, prior to distribution). The Free Milk application packet includes an updated prototype application, parent notification letter, notice of Direct Certification letter, and other related forms and can be found under the SMP Pricing with Free Milk Option heading of the Special Milk Program webpage (https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk). Process completed applications within ten (10) operating days after the date of receipt. Use current school year household size and income guidelines to determine free milk eligibility. Refer to sections 1-5 of USDA Eligibility Manual for School Meals (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications#em). for guidance. Disregard section 6. Send notification to households with students who are eligible for free milk and to households that are denied benefits. File all approved and denied applications at the SFA, along with any other documentation supporting free milk eligibility.</p>	After July 1		
<p>Benefit Issuance List (<i>Required for Pricing Plan with Free Milk option only</i>) From benefit documentation (which includes Free Milk applications, DC lists, documentation designating students as homeless by the public school district's homeless liaison, documentation designating students as migrant by migrant coordinator, and any additional documentation for foster or runaway students), create/maintain a benefit issuance list noting the student's name, benefit status, specific date of qualification, benefit type/source (i.e., DC or application). Remember, carryover benefits from the prior school year are in effect for the first 30 operating days of school or until new benefit documentation is received. Information on carryover benefits can be found in the Eligibility Manual for School Meals. An example Benefit Issuance List can be found on the Administrative Review webpage (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review).</p>	Prior to start of school year Update throughout year when new benefit documentation is received		

Requirement	Due Date	Initials	Date
<p>Public Release (Required for Pricing Plan with Free Milk option only) Send the public release for free milk to local media and grassroots organizations that reach minority or under-represented groups. SFAs are required to send the public release and maintain documentation of where it was sent to but are not required to pay to have it published. A template Special Milk Program Public Release is available under the SMP Pricing with Free Milk Option heading of the Special Milk Program webpage (https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk).</p>	Prior to start of school year		
<p>Food Safety Develop and implement procedures for ensuring milk served by the SFA is wholesome by adhering to proper food safety practices. This includes maintaining temperature and cleaning logs for refrigeration units. Template logs can be found on the Special Milk Program webpage (http://dpi.wi.gov/school-nutrition/milk-programs/special-milk).</p>	Prior to start of school year		
<p>Civil Rights Training Complete the annual Civil Rights Training for staff involved with the SMP. The Civil Rights training is available on the Civil Rights Webpage, along with an attendance log (https://dpi.wi.gov/school-nutrition/program-requirements/civil-rights). Maintain a copy of the training and attendance log at the SFA.</p>	Prior to start of school year		
<p>And Justice for All Poster Post the green <i>And Justice for All</i> posters in publicly visible and readable areas where the program is administered. If new or additional posters are needed, please contact the SNT at 608-267-9228 or email dpifns@dpi.wi.gov.</p>	Prior to start of school year		
<p>Civil Rights Compliance Self-Evaluation Complete the SMP Civil Rights Compliance Self-Evaluation form (PI-1456) and keep on file at the SFA. The SMP-Only Civil Rights Compliance Self-Evaluation Form can be accessed under the Civil Rights heading of the Special Milk Program webpage (https://dpi.wi.gov/school-nutrition/programs/milk-programs/special-milk).</p>	By October 31		
<p>Financial Management Maintain detailed and accurate financial records of program revenues and expenditures. Revenues obtained through the SMP are only to be used for SMP purposes. The cash balance should not exceed three months operating costs unless the SFA has a plan for the accumulated balance (e.g., saving for a replacement refrigeration unit).</p>	Review internally at the end of the school year and as needed throughout the year		

Annual Requirements for the USDA Special Milk Program (Continued)

SMP Milk Type Requirements

Age	Milk Requirement
1 to 2 years	Unflavored whole milk must be served to children one year of age.
2-5 years	Only unflavored low-fat (1%) or fat-free (skim) milk is permitted for children age two years old and older. Flavored milk is not permitted for children two through five years old in a pre-K setting. Students enrolled in kindergarten that are five years old may follow the SMP milk requirements for 6 years and older, which allows flavored or unflavored fat-free (skim) or low-fat unflavored (1%) milk
6 years and older and adult participants	Allowed flavored or unflavored fat-free (skim) or low-fat unflavored (1%) milk.

Daily and Monthly Requirements for the USDA Special Milk Program

Requirement	Due Date
<p>Point of Service (POS) Obtain daily count of half-pints of milk (or half-pint equivalents) served to students at the POS for each school listed on Schedule A of the online contract. SFAs with the <i>Pricing Plan - Free Milk Option</i> must obtain daily counts by individual students at the POS to document the number of half-pints served to students approved for free milk and the number of half-pints served to students who are in the paid category. The POS system (i.e., manual roster or electronic system) used for SFAs with this option must protect the identity of students who qualify for free milk. SFAs with the <i>Non-Pricing Plan</i> (no student is charged) and <i>Pricing Plan - No Free Milk Option</i> (all students pay a set charge, and there is no free milk) may obtain a daily count at the POS for all milk served to students. Schools using these two plans may use daily count sheets or count the number half-pints distributed to students in the classroom at the point of service and record this count on a calendar. Template forms are available on the Special Milk Program webpage under the “For all SFAs Participating in the SMP” heading (https://dpi.wi.gov/school-nutrition/milk-programs/special-milk). <i>All SFAs participating in SMP must implement procedures to disallow milk served to adults and milk used in cooking when submitting the monthly reimbursement claim.</i></p>	Completed daily, review monthly
<p>Monthly Claims Submit monthly claim for reimbursement to DPI via Online Services. Claims for reimbursement cannot be submitted during the claim month of operation. The only exception is the June claim, which can be submitted after the last milk service in June. Please refer to the claiming calendar below for submission deadlines. Schools blocked from submitting claims using Online Services should submit the claim on paper before the monthly deadline (see chart below). Fax or email claim copy to Jacqueline Jordee before the deadline at 608-267-9207 or jacqueline.jordee@dpi.wi.gov.</p>	Monthly

60 Calendar Day Cut-off Deadlines for Submitting Claims for Reimbursement

Claims for reimbursement for milk served under the Special Milk Program (SMP) must be submitted to DPI online for payment **within 60 calendar days after the end of the claiming period**. Only one claim per program is accepted per payment processing period. Processing occurs each Tuesday morning, unless that day is a holiday, in which case the processing would happen the following day. Payment processing does not occur the last 2 weeks of June and the last 2 weeks of December so that DPI’s Business Office can do fiscal- and year-end closeouts.

Claiming Month	Last Day for Receipt/Postmark of Claim
January	April 1 (March 31 on leap years)
February	April 29
March	May 30
April	June 29
May	July 30
June	August 29
July	September 29
August	October 30
September	November 29
October	December 30
November	January 29
December	March 1 (February 29 in leap years)

Wisconsin Department of Public Instruction
[Special Milk Program](#)
<http://dpi.wi.gov/school-nutrition/milk-programs/special-milk>

[Online Services](#)
<http://dpi.wi.gov/nutrition/online-services>

School Nutrition Team
[Personnel Directory](#)
<http://dpi.wi.gov/school-nutrition/directory>

At a Glance...USDA Special Milk Program Requirements

Annual Requirements	Due Date	Initials	Completed
USDA Special Milk Program Online Contract	May or June – refer to annual DPI memo for exact date		
Purchasing	Prior to start of school year		
Milk Pricing for Students (<i>Applicable only to Pricing Plan and Pricing Plan with Free Milk options</i>)	Prior to start of school year		
Direct Certification (<i>Optional for Pricing Plan with Free Milk option only</i>)	After July 1, preferably before the beginning of school year and as needed throughout the year		
Free Milk Applications (<i>Required for Pricing Plan with Free Milk option only</i>)	After July 1		
Benefit Issuance List (<i>Required for Pricing Plan with Free Milk option only</i>)	Prior to the start of the school year <i>Updates should be made throughout the year as new benefit documentation is received</i>		
Public Release (<i>Required for Pricing Plan with Free Milk option only</i>)	Prior to start of school year		
Food Safety	Prior to start of school year		
Civil Rights Training	Prior to start of school year		
<i>And Justice for All</i> Poster	Prior to start of school year		
Civil Rights Compliance Self-Evaluation	By October 31		
Financial Management	Review internally at the end of the school year and as needed throughout the year		

Daily and Monthly Requirement	Due Date
Point of Service (POS)	Completed daily, review monthly
Monthly Claims	Monthly