

Special Milk Program (SMP)

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Additional Resources

- Administrative Handbook
<https://www.isbe.net/Pages/SchoolNutritionAdminHandbook.aspx>
- Instructions for Online Applications and Claims
<https://www.isbe.net/Pages/School-Nutrition-Applications-and-Reports.aspx>
- Program Notification & Household Eligibility Application
<https://www.isbe.net/Pages/Household-Eligibility-Resources.aspx>
- Civil Rights
<https://www.isbe.net/Pages/Nutrition-and-Wellness-Civil-Rights-Compliance-and-Enforcement.aspx>

Special Milk Program

The Special Milk Program (SMP) provides milk to children in schools, child care institutions, and summer camps that do not participate in other Federal child nutrition meal service programs.

The program reimburses sponsors for the milk they serve.

Schools in the National School Lunch or School Breakfast Programs also may participate in the SMP to provide milk to children in half-day pre-kindergarten and kindergarten programs where children do not have access to the school meal programs.

Eligible Participants

Enrolled children may participate in the Special Milk Program if they attend a:

- School
- Child care institution and are under 19 years of age
- Split-session kindergarten classes or vocational program and are not present during federally supported breakfast or lunch service with access to milk
- Camp

Sponsor Responsibilities

Sponsors must ensure:

- The same types of fluid milk are made available to everyone.
- Only 1% and skim flavored or unflavored milk can be offered.
- Claims are made in terms of the number of half-pints served.
- The program is operated as a non-profit milk service.
- Revenue is used only for the operation or improvement of milk services.

Taking / Maintaining Accurate Milk Counts & Documentation Retention Requirements

At a minimum, SFAs must maintain the following records for three years plus the current or longer if a review remains open:

- If participating in the free option (see below) - Documentation showing student eligibility for free milk must be maintained: Household applications; direct certification list; categorical eligibility listing.
- Milk counting and claiming documentation.
- Documentation of individual child's attendance on a daily basis.

Visit the ISBE website for current [Reimbursement Rates](#).

SMP Options

Pricing - Free Option

- Household Eligibility Applications are required for students desiring free milk. Milks are “priced” for students who do not meet the eligibility requirements for free milk. Served milks are counted and claimed in the correct categories. SFAs set their own prices for paid milk, but must operate as a non-profit program. Paid milks are reimbursed at the current reimbursement rate. For free milks, reimbursement is the average cost per half-pint milk. The program must run as a non-profit program.

Pricing - Paid Option

- Household Eligibility Applications are not required. All students are charged the same. Students can be charged up to the difference between the program cost (milk + administration) and current reimbursement rate. The program must run as a non-profit program

Non-Pricing Paid Option

- Household Eligibility Applications are not required. All students are charged the same, but the milk is not “priced” per milk. The students pay a lump sum, such as on a weekly, monthly or annual basis, perhaps included as part of tuition.

Annual Application

The SFA must enter into a written agreement with the State Agency (SA), this agreement sets forth the conditions for operating the program(s). The annual application, which includes both the Agreement and the Policy Statement, are required each year to be eligible to participate. The program year for the School Nutrition Programs runs July 1-June 30 and the annual application generally is available in April and due by May 30th of each year. Instructions for completing the annual application are available under the blue and yellow question mark icon in the WINS system or under What’s New on our Nutrition Programs [main webpage](#). Additionally, basic information about the WINS system can be found in the WINS section of the Administrative Handbook.

Certification of Eligibility for Meal Benefits - Free Option Only

Program Notification & Household Eligibility Applications

Near the beginning of each school year, the [letter to household](#), household eligibility application (HEA) and application instructions announcing the availability of nutrition programs must be distributed to all households. An LEA may not only make available the HEA during registration, the HEA must be distributed to all households. Distribution may occur by postal service, emailed to parents/guardians or included in packets of materials provided directly to the students or households.

NOTE:

If your Sponsor is in NSLP for some grade levels but SMP only for ½ day students, like a ½ day PreK program, you do have access to the Direct Certification System. Therefore, the Direct Certification System can be used first to determine students eligible for free benefits. Any students not found in Direct Certification will need to be provided a HEA.

If you're only in the SMP, you do not have access to the Direct Certification System, therefore HEAs will need to be distributed to all households.

Additional instructions for utilization of the Direct Certification System can be found in the Electronic Direct Certification section of the [Administrative Handbook](#).

Certification of Eligibility

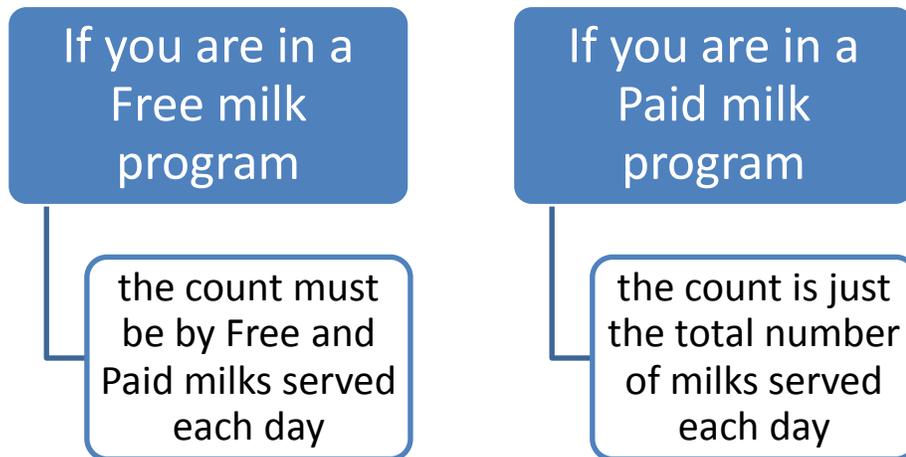
Benefits can be issued using one of following methods:

1. SFA's also in the NSLP and/or SBP - Categorical Eligibility via the Electronic Direct Certification System—*Students Receiving Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance to Needy Families (TANF)* including the extension of such benefits to ALL household members. (This is discussed in the *Electronic Direct Certification* section of this handbook in detail.)
2. Categorical Eligibility—homeless/migrant/runaway/Head Start listing from local coordinator
3. Household Eligibility Application
 - a. Based on household income
 - b. Based on valid SNAP or TANF case numbers provided on the application including the extension of such benefits to ALL household members

For more information on each of these types of certification, timeline requirements and notification requirements, view the Electronic Direct Certification and the Certification sections of the [Administrative Handbook](#).

Milk Counting & Claiming

To receive reimbursement, sites must accurately count, record, and claim the number of milks actually served to students.



Elements of an acceptable counting and claiming system include:

1. Eligibility Documentation (Free Milk Program ONLY)

The SFA must have documentation to claim free milks for reimbursement. Documentation can be a Household Eligibility Application, Direct Certification list, homeless and/or migrant liaison list, Head Start list, list of residential students in RCCIs, non-applicants approved by local officials or another approved method.

2. Collection Procedures

The SFA must prevent overt identification at the medium of exchange to keep students' eligibility for free milks confidential.

3. Point-of-Service Counts

Milks must be counted daily at that point in the service line where the milks are provided to students. It is NOT recommended that a student take point-of-service counts. Rather it is preferred that a trained adult, school employee or volunteer take the counts. Any alternative point-of-service counting methods must be approved by the Illinois State Board of Education Nutrition and Wellness Programs Division.

For more information on appropriate milk counts view the Benefit Issuance and Meal Counting & Claiming section of the Administrative Handbook.

Civil Rights Requirements

The purpose of this information is to notify participants of the Federal School Nutrition Programs of program policies regarding civil rights and provide guidance on nondiscrimination in the administration of these programs.

This information outlines specific responsibilities, requirements, and procedures for federally-assisted programs to ensure federal, state, and local compliance with the provision of Title VI of the Civil Rights Act of 1964, as amended; Title IX of the Education Amendments of 1972; and Section 504 of the Rehabilitation Act of 1973.

After each specific responsibility/requirement is identified, suggested ways to meet the responsibility/requirement are listed.

SFA Responsibilities

Data Collection (Only required for those in a FREE milk option)

- Collect and maintain data regarding the target population by racial/ethnic category. Examples include fall housing report, census data, demographic maps, and data provided by child nutrition program participation approval letter.
- Collect and maintain racial/ethnic participation documentation. Methods include staff observation or voluntary self-identification by applicants on the free and reduced-price application forms.
- Maintain all program information for three years plus the current year. Safeguards should be exercised to ensure the data is available only to authorized personnel.

Program Operations

- Denied free applicants should not be disproportionately composed of minority groups. (only applies to those in a FREE milk option)
- Admission procedures should not restrict enrollment of minority persons.
- Program operations should not discriminate against participants based on race, color, national origin, sex, age, or disability. Examples include seating arrangements, serving lines, assignment of eating period, and selection of applications for verification.

Training

- The SFA must provide civil rights training to their sub recipients, including *front-line staff*, on an annual basis.
- *Frontline staff* is defined as those who interact with program applicants or participants and those persons who supervise frontline staff.

- Specific subject matter for training must include: collection and use of data, effective public notification systems, complaint procedures, compliance review techniques, resolution of noncompliance, requirements for reasonable accommodation of persons with disabilities, requirements for language assistance, conflict resolution, and customer service.
- ISBE has developed resources to assist you meeting these annual training requirements, which are posted on our [website](#).

Public Notification

- Display in a prominent place a USDA poster containing the nondiscrimination statement and the federal procedure for filing a complaint. Posters may be obtained by contacting Nutrition Programs, Illinois State Board of Education at 800.545.7892 or cnp@isbe.net. Please provide us with the name of the sponsor, the name of the contact person, the address to send the posters to and the number of posters that you need.

Printed Materials

All printed school nutrition program informational materials, such as free and reduced-price meal notification letters and public releases, must include the nondiscrimination statement and complaint procedures (see following page).

- The USDA has determined that using the shortened statement (*This institution is an equal opportunity provider*) can only be used in very limited instances. It is based on the intent and/or audience that will be viewing the material. It is recommended that the full statement be used in most cases.
- Provide information in the appropriate translation concerning the availability and nutritional benefits of the school nutrition program, as needed. This requirement can be met through the use of bilingual staff members, volunteers, and/or informational materials in appropriate languages.
- Provide school nutrition program information to the parents and local minority and grassroots organizations upon request; examples include letters, brochures, and public releases.
- Develop and implement a procedure to process civil rights complaints. A civil rights complaint procedure may be developed by the SFA. Persons who believe they have been discriminated against in any USDA-related activity may be advised to write: *USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish).*

NONDISCRIMINATION STATEMENT AND COMPLAINT PROCEDURES
(Must be included on all school nutrition program informational materials)

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found at http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- 1. **Mail:** U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;*
- 2. **Fax:** (202) 690-7442; or*
- 3. **Email:** program.intake@usda.gov*

This institution is an equal opportunity provider.

Procurement of Milk and Supplies

The United States Department of Agriculture has implemented regulations for the procurement of food and supplies for sponsors of the NSLP, SBP, **SMP**, and Fresh Fruit and Vegetable Program (FFVP). The chart below provides the specific citations and provisions in the law.

	Public Schools and Public Residential Child Care Institutions	Private Schools and Private Residential Child Care Institutions
Program Regulations	7 CFR Parts 210, 215, 220, and 245	7 CFR Parts 210, 215, 220, and 245
Procurement Rules Access on the U.S. National Archives and Records Administration website at http://www.gpoaccess.gov/fr/index.html .	Part 3016 Sections: 3016.36(b)–(i), 3016.60 2/, 3/	Part 3019 Sections: 3019.40–48
Allowable Cost Rules Access OMB Circulars on the Office of Management and Budget website at http://www.whitehouse.gov/omb/ .	A-87	A-122
Small Purchase Threshold	Lesser of \$150,000; state or local rules	Lesser of \$150,000 or organization’s rules
Anticompetitive Practices	Potential contractors may provide information. Potential contractors cannot prepare procurement document or contract information.	Potential contractors may provide information. Potential contractors cannot prepare procurement document or contract information.
Geographical Preferences	Geographical preferences are prohibited.	Not applicable

Competitive Bidding

Competitive bidding involves publicly soliciting sealed bids for a firm, fixed-price contract and awarding the contract to the responsive and responsible bidder whose bid is lowest in price.

Federal regulations require SFAs receiving federal assistance to competitively purchase food and supplies, equipment, and services when the aggregate amount to be purchased is \$150,000 or more. **For public schools only**, Illinois School Code states that all purchases, except perishable food and beverages in excess of \$25,000 (or a lower amount as required by district board policy), must be competitively bid and awarded to the lowest responsible bidder. The \$25,000 level refers to aggregate purchases on an annual basis.

The chart below details when competitive bidding must be conducted.

TYPES OF ITEMS	ANNUAL AMOUNT OF PURCHASES
Milk or fresh dairy products	In excess of \$150,000
Fresh bread	In excess of \$150,000
Fresh produce	In excess of \$150,000
General groceries	In excess of \$150,000
Vended meals	In excess of \$150,000
Supplies	In excess of \$25,000
Equipment	In excess of \$25,000
Food service management services	In excess of \$25,000

The \$150,000 amount is determined by examining the manner in which milk has been purchased in the past. If using vendors that supply only one particular type of product, such as bread, milk, or meat, the competitive bid process must be implemented when the amount of purchases is in excess of \$150,000 per type of product.

When multiple vendors, such as full-line vendors, supply various items such as canned, frozen, and dry goods, the total annual purchase amount for all the vendors must be added together. If this amount is in excess of \$150,000, the food must be competitively bid. However, if supplies, equipment, or any non-food items are purchased from the full-line vendor in addition to the food items, the \$25,000 threshold becomes applicable.

General Procurement Requirements

All procurement transactions must be conducted in a manner that provides maximum open and free competition. Procurement procedures must ensure they do not foster noncompetitive practices between firms, do not create organizational conflicts of interest, and do not restrict or eliminate competition. Procurement must not place unreasonable requirements on firms, require unnecessary experience, or establish unrealistic bonding requirements. Cost plus a percentage of purchase is not an allowable system. There must be descriptions of all products purchased, and identical instructions provided to all potential vendors.

Formal standards of conduct should govern the performance of officers, employees, and agents in the award and administration of contracts. These standards should provide that officers, employees, or agents should not solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties of sub-agreements.

SFAs must have written selection procedures for awarding contracts. Records should be maintained to detail the significant history of procurement. These records must include, but are not necessarily limited to, the following: rationale for the method of procurement, contractor selection or rejection, basis for the cost or price, and documentation for change orders.

Informal Bidding Procedures

If the purchases for perishable foods and beverages do not exceed \$150,000 or the purchases for supplies and/or equipment do not exceed \$25,000 as described above, informal bidding procedures may be used. The following steps should be part of the informal bidding process:

- Develop a written purchase description of the services/items being solicited;
- Solicit quotes/bids from three or more potential vendors based on the purchase description; document vendor names along with the date and method of contact—be sure to maintain full and open competition;
- Record all quotes/bids received and any notification received from vendors declining to bid;
- Evaluate the quotes for conformance to the purchase description;
- Award the purchase/contract (record the justification for the award); and
- Maintain all documents on file for potential audit purposes.

Formal Bidding Procedures

The following bid requirements must be implemented to ensure compliance with state statutes and federal regulations.

- The Invitation to Bid, including specifications and attachments, must define the items or services needed in order for the bidders to properly respond to the invitation.
- Bids must be solicited from an adequate number of known suppliers, defined as a minimum of three prospective suppliers; be sure to maintain full and open competition.

- The proposed procurement must be publicly advertised in at least one public notice at least ten days before the bid date in a newspaper of general circulation.
- Sealed bids are accepted.
- The bids must be publicly opened and read aloud.
- Award the contract to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation to Bid, is lowest in price.
- Maintain all documents on file for potential audit purposes.

Monitoring/Reviews

Participants that are only in the Special Milk Program are not required to have regularly scheduled reviews of their programs. However, the State Agency can contact a participant to schedule a monitoring review at any time.

