

SPECIAL MILK PROGRAM FOR CHILD CARE INSTITUTIONS AND CAMPS

FREQUENTLY ASKED QUESTIONS

Why was the Special Milk Program (SMP) started?

The purpose of the Special Milk Program is to encourage the consumption of milk by children who are receiving care and training at child care institutions, summer camps, homeless feeding sites, outside-of-school-hours care centers, and other agencies providing services to children. Participating agencies receive federal reimbursement for each half pint of milk served to children. The Department of Public Instruction (DPI) administers the U.S. Department of Agriculture (USDA) Special Milk Program (SMP) in Wisconsin.

Which agencies are eligible for the SMP?

Any public or non-profit agency, as referenced above, which has IRS Tax Exempt status which does not participate in the Child and Adult Care Food Program or the Summer Food Service Program is eligible for the Special Milk Program.

What is the federal reimbursement rate?

The rate of reimbursement is established annually by the USDA. The current rate of reimbursement is \$.1775 per half pint served to eligible children (effective July 1, 2010 through June 30, 2011). Milk served to children under 19 years old may be claimed for reimbursement. Reimbursement is either paid at the current USDA rate of reimbursement or the reported average cost per half pint, whichever is the lesser of the two.

What kinds of records must agencies keep?

Agencies must maintain accurate milk purchasing records (invoices and receipts) which clearly identify the type, unit, price, and date of purchase for each transaction within the calendar month. Documentation of milk served to adults (over 19 years of age) and milk lost to waste, spoilage or theft must be kept to ensure it is not claimed for reimbursement. Milk served to adults, lost to waste (such as when left-over milk is dumped after a meal service), and lost to spoilage and theft is not reimbursable. Only milk actually served to attending children may be claimed for reimbursement.

In addition, Form PI-1480AP-*Permanent Agreement-Policy Statement-Special Milk Program-Nonschool Programs*, must be kept on file as long as the agency is participating in the SMP.

What is the most reasonable method of calculating the amount of milk to claim for reimbursement?

Total up all receipts and invoices for milk purchased during the month you are claiming for. Calculate the number of half-pints using the formula on the bottom of the Milk Purchasing Record. Subtract the quantity of milk served to adults, milk thrown out after meal service, and any losses due to spoilage or theft for the same month. The quantity of half-pints remaining can be submitted for reimbursement as long as you have receipts and/or invoices to support your claim.

The Milk Purchasing Record can be found at: <http://dpi.wi.gov/fns/specmlk1.html>

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Why do I have to calculate the cost per half pint?

USDA uses the information it receives to help establish the reimbursement rate for the following year.

The average cost per half pint must be calculated based on the total number of half pints of milk purchased, not just the number of half pints purchased for the children, unless separate units of milk, which are clearly itemized on the receipt, are purchased for the children and adults; in the latter case, then, the milk purchased separately for adults must be excluded when calculating the total number of half pints and total cost of milk purchased.

Can reimbursement be received for substitutions made for milk when a child cannot consume milk because of special dietary needs such as allergies or severe intolerance?

USDA regulations require substitutions or modifications in the SMP for children who are considered to have a disability which restricts their diets. A child with a disability must be provided substitutions when that need is supported by a statement signed by a licensed physician; this is in order to be in compliance with the Rehabilitation Act of 1973, the American with Disabilities Act and the USDA nondiscrimination regulations (7 CFR 15b). Because of this requirement, an agency can receive reimbursement for substituted beverages listed on a physician’s statement for a child with special dietary needs. Furthermore, an agency can receive reimbursement for the substituted beverages listed on a child’s physician statement regardless of whether the special dietary need is a result of a disability, so long as the agency provides the substitution.

Are agencies allowed to charge for milk?

Yes. However, the vast majority of child care institutions do not sell milk to children. Milk is provided in these institutions along with food and/or other services. The federal reimbursement received from the Special Milk Program is used to reduce program expenditures for milk.

If your institution should elect to charge for milk, you must contact our office to discuss additional contractual and record keeping requirements.

What is the deadline for submitting monthly SMP reimbursement claims?

USDA federal regulation allows for the submission of claims up to the 60th calendar day from the last day of the claiming month. However, the DPI requests agencies to submit their claims by the 15th day of the month following the month for which they apply. If your agency’s claim is not date stamped as received by this Department on or before the 60th calendar day, your agency will not receive reimbursement for that claim , unless granted a “one-time-exemption” by the Federal Aids and Audit Unit.

The online claiming manual for the SMP can be found at <http://dpi.wi.gov/fns/online.html> (scroll down)

How can an agency make a change to a claim that has already been submitted?

Upon finding an error within a submitted claim, an agency may submit an “amended” claim to DPI’s Federal Aids and Audit Unit. Amended claims resulting in an increase in the reimbursement amount must be received by DPI on or before the 90th calendar day from the last day of the claiming month. There is no deadline for submitting an amended claim that results in a lesser amount of reimbursement.

An amended claim may only be submitted by paper. To submit an amended claim, complete a SMP Reimbursement Claim Form (PI-1409) to show the correct number of half pints and average cost per half pint that should have been submitted on the claim. Write “Amended Claim” at the top of the claim and send it to DPI by fax or mail.

The paper claim form (amended claims only!) can be found at:

<http://dpi.wi.gov/fns/online.html> (scroll down)