

State Board of Education
North Carolina Department of Public Instruction

2019-2020
Agreement Renewal to Administer
Federally-Assisted School Nutrition
Programs

Special Milk Program
Sponsors

Agreement Renewal Items In This Packet:

1. 2019-20 Agreement
2. 2019-20 Free & Reduced Price Policy Statement
3. 2019-20 Agreement Signature Page

Additional Documents Required for Renewal Process:

4. Procurement Method Reporting
5. Drugfree Workplace Certification Form
6. Debarment/Suspension Form
7. 501(C) 3 Documentation

USDA Non-Discrimination Statement

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 online 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

2019-2020 SPECIAL MILK PROGRAM AGREEMENT

AND

FREE AND REDUCED PRICE POLICY STATEMENT

Upon execution, this document becomes the Annual Program Agreement and Free and Reduced Price Policy Statement for the Agreement year beginning July 1, 2019 and concluding June 30, 2020. Please maintain an executed copy of this Agreement in your files for a minimum of three (3) years beyond the date of termination of the Agreement. To complete the Agreement, a calendar, showing the actual dates of operation where milk is served to children, must be provided.

The School Food Authority (SFA) shall, with respect to participating sites under its jurisdiction and financial responsibility, shall agree to the following:

- (a) Any School Food Authority (SFA) defined under 7 CFR 220 or nonprofit child care institution shall have the opportunity to participate in the Special Milk Program upon request, provided the school/institution does not participate in a meal service program authorized under the Child Nutrition Act of 1966 or the National School Lunch Act; except that schools with such meal service may receive the Special Milk Program upon request only for the children attending split-session kindergarten programs that do not have access to the meal service. Each school or child-care institution shall make written application to the State agency for any school or child-care institution in which it desires to operate the Program.
- (b) Any SFA or child care institution participating in the Program may elect to serve free milk to children eligible for free meals. Upon application for the Program, each SFA or child care institution:
 - (1) Shall be required by the State agency to state whether or not it wishes to provide free milk in the schools or institutions participating under its jurisdiction and;
 - (2) If it so wishes to provide free milk, shall also submit for approval a free milk policy statement which, if for a school, shall be in accordance with 7 CFR 245 or, if for a child care institution, shall be in accordance with 7 CFR 215.13a.
- (c) The application shall include information in sufficient detail to enable the State agency to determine whether the SFA or child-care institution is eligible to participate in the Program and the extent of the need for Program payments.
- (d) Each SFA or child care institution approved to participate in the program shall enter into a written agreement with the State agency that may be amended as necessary. Nothing in the preceding sentence shall be construed to limit the ability of the State Agency to suspend or terminate the agreement in accordance with 7 CFR 215.15. If a single State Agency administers any combination of the School Nutrition Programs, that State Agency shall provide each SFA with a single agreement with respect to the operation of those programs.

Such agreement shall provide that the SFA or child-care institution shall, with respect to participating schools and child-care institutions under its jurisdiction:

- (1) Operate a nonprofit milk service. However, SFAs may use facilities, equipment, and personnel supported with funds provided to a SFA under this part to support a non-profit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.);
- (2) If electing to provide free milk (i) serve milk free to all eligible children, at times that milk is made available to non-needy children under the Program; and (ii) make no discrimination against any needy child because the child's inability to pay for the milk;
- (3) Comply with regulations regarding nondiscrimination (7 CFR Parts 15, 15a, 15b and FNS Instruction 113-1); make no discrimination against any child because of his eligibility for free or reduced-price milk in accordance with the approved Free and Reduced-price Policy Statement; agree to provide the current non-discrimination statement on all public documents including but not limited to the School Nutrition website; comply with requirements regarding the use of student's confidential eligibility status and ensure this confidential information is used only for purposes as prescribed by law and for no other purpose; limit the disclosure of individual student's confidential eligibility for free and reduced-price milk to persons authorized by law to receive it for reporting purposes and for no other purpose; agree that direct access to student's confidential eligibility status is limited only to the School Nutrition Administrator and his/her designee in the School Nutrition Department; agree that the use of students' confidential eligibility status will not be used for local education initiatives without prior written parental consent; agree that disclosure of students' individual confidential eligibility status for any local education purpose without prior written consent of the parent(s) or guardian(s) constitutes grounds for dismissal; require a Memorandum of Agreement (MOA) to be approved in advance by the SA and signed and executed between the School Nutrition Administrator (determining official for the SFA) and the individual requesting the confidential information; cite the specific public law and/or general statute authorizing the use of individual student's confidential eligibility status without prior written parental/guardian consent; complete an annual Civil Rights Checklist for the SFA and for each school or site under its jurisdiction no later than December 15; maintain all Civil Rights Checklists on file in the SFA's central office for a period of three (3) years after the end of the fiscal year of the final claim for reimbursement for the fiscal year to which they pertain, except in situations where audit findings have not been resolved in which case the records shall be retained beyond the three (3) year period as long as required for resolution of the issues raised by the audit;
- (4) Claim reimbursement only for milk as defined in this part and in accordance with the provisions of 7 CFR 215.8 and 215.10;
- (5) Submit Claims for Reimbursement in accordance with 7 CFR 215.10 and procedures established by the State Agency;

- (6) Maintain a financial management system as prescribed by the State agency;
- (7) Comply with the requirements of the 7 CFR 215.14 regarding procurement in the practices specific to the Special Milk Program; comply with overall procurement practices as prescribed in 2 CFR 200.317-326; ensure food, supplies, equipment, consulting services, chemicals, maintenance, technology, equipment, bank services and all other goods and services, procured with Special Milk Program funds, are competitively procured and such procurements are conducted in a manner that ensures free and open competition; abide with the Buy American provision by purchasing domestic agricultural products to the extent practicable and by approving all non-domestic foods in advance, should foods of non-domestic origin be used; acknowledge that failure to procure all goods and services in accordance with Federal regulations constitutes an unallowable use of School Nutrition funds and makes the entire procurement amount that was conducted using Federal School Nutrition funds subject to reclaim by the State Agency;
- (8) Upon request, make all records pertaining to its milk program available to the State Agency and to the US Department of Agriculture or other entities appointed by the State Agency for audit and administrative review, at any reasonable time and place. Such records shall be retained for a period of three years after the end of the fiscal year to which they pertain, except that, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit;
- (9) Retain the individual applications for free milk submitted by families for a period of three years after the end of the fiscal year to which they pertain, except that, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.
- (10) Shall comply with USDA's Civil Rights Guidance as obtained in FNS Instruction 113-1 and reads as follows: "The program applicant hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.); all provisions required by the implementing regulations of the Department of Agriculture; Department of Justice Enforcement Guidelines, 28 CFR Part SO.3 and 42; and FNS directives and guidelines, to the effect that, no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied benefits of, or otherwise be subject to discrimination under any program or activity for which the program applicant receives Federal financial assistance from FNS; and hereby gives assurance that it will immediately take measures necessary to effectuate this agreement."

“By accepting this assurance, the Program applicant agrees to compile data, maintain records, and submit reports as required, to permit effective enforcement of nondiscrimination laws and permit authorized USDA personnel during hours of program operation to review such records, books, and accounts as needed to ascertain compliance with the nondiscrimination laws. If there are any violations of this assurance, the Department of Agriculture, FNS, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Program applicant, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the Program applicant.”

(11) DEFINITIONS:

- A. CHILD - In child care institutions, a person under nineteen (19) chronological years of age. In schools, a person under twenty-one (21) years of age, or students, including students who are mentally or physically disabled as defined by the State Agency and who are participating in a school program for the mentally or physically disabled of high school grade or under.
- B. COST OF MILK - The purchase price paid by the institution to the milk distributor for milk delivered. This does not include any amount paid to the milk distributor for the rental or installment of or purchase price of milk service equipment.
- C. MILK – Allowable milk options include pasteurized fluid types of fat-free (skim) or low-fat (1 percent fat or less). Milk with higher fat content is not allowed unless otherwise stated by a Medical Statement. Low-fat or fat-free, lactose-free and reduced-lactose fluid milk may also be offered. All milk should contain vitamins A and D at levels specified by the Food and Drug Administration and be consistent with state and local standards for such milk.
- D. NON-PRICING MILK PROGRAM - A milk program whereby no separate charge is made to children.
- E. NON-PROFIT - Exempt from income tax under Section 501 (C) (3) of the Internal Revenue Code of 1954, as amended; or in the commonwealth of Puerto Rico, certified as nonprofit by its Governor.
- F. POLICY STATEMENT FOR FREE MILK - In pricing program, a pamphlet including information on: (1) the specific criteria to be used in determining eligibility for free milk; (2) the method by which the sponsor will collect information from families in order to determine a child's eligibility for free milk; (3) the method by which the sponsor will collect milk payments so as to prevent overt identification of children receiving free milk; (4) a hearing procedure for a family to appeal the decision of the sponsor and for the sponsor to challenge the eligibility of a child for free milk; and, (5) assurance that there will be no discrimination against free milk recipients and discrimination against any child on the basis of race, color, national origin, sex, age or disability
- G. PRICING PROGRAM - A milk program whereby a separate charge is made to children.
- H. SCHOOL FOOD AUTHORITY/SPONSOR - The governing body which is responsible for the administration of one or more schools or child care organizations and which has the legal authority to operate milk program therein.

**State Board of Education
North Carolina Department of Public Instruction
Agreement to Administer the
Federally-Assisted School Nutrition Program
for Special Milk Sponsors
School Year 2019 - 2020**

My signature below indicates that I understand and agree to all the terms and conditions contained in the 2019– 2020 Agreement to operate the Special Milk Program and the Free and Reduced Price Policy Statement and will ensure all SFA or child care institution personnel abide with the provisions set forth in the Agreement and the Policy Statement.

SFA/Sponsor Name

SFA Agr#

SFA/Sponsor Address

On behalf of the School Food Authority:

Designated SFA/Sponsor Official who may sign legally binding agreements:

(Print Name)

(Signature)

(Date)

Individual authorized to approve and sign claim for reimbursement:

(Print Name)

(Signature)

(Date)

On behalf of the North Carolina Department of Public Instruction/State Board of Education:

Director, School Nutrition and District Operations:

Lynn Harvey, EdD, RD, LDN, FADA, SNS

(Print Name)

(Signature)

(Date)

NOTE: Calendar showing actual dates of operation where milk is served to children is required to execute this agreement. This signature page must be provided in addition to the automated renewal of the application between the School Food Authority (SFA) and the North Carolina State Board of Education, Department of Public Instruction, to administer the Federally-Assisted School Nutrition Program(s). After completing the automated application, and carefully reading the Agreement and the Policy Statement, please sign three copies of this document each in blue ink and return by June 12, 2019 to:

**North Carolina Department of Public Instruction
School Nutrition Services Section
6324 Mail Service Center
Raleigh, NC 27699-6324
Attn: Jacquelyn McGowan**