

**SPECIAL MILK - ONLY PROGRAMS
AGREEMENT**

In order to effectuate the purpose of Title 7 CFR, Part 215, USDA, the Alabama State Department of Education, hereinafter referred to as the State Agency and the _____, hereinafter referred to as the
(Sponsor's Name)

Sponsor, covenant and agree as follows:

1. The State Agency shall reimburse the Sponsor to the extent of available funds at the current rate(s) as determined by USDA for milk served in accordance with the terms of this Agreement.
2. The Sponsor agrees to:
 - A. Conduct a nonprofit milk program as defined herein.
 - B. If operating a pricing program, as herein defined, provide a Policy Statement, as herein defined, on free milk
 - C. Claim reimbursement for only milk, as defined herein, served to eligible children, as defined herein.
 - D. Submit to the State Agency by the **10th of the month** on a form provided by the State Agency, a claim covering operation for the previous month, provided however, that the claim may cover more or less than a month's operation, if such is required to complete a fiscal year's report, and assume full responsibility for the accuracy of all claims for reimbursement submitted to the State Agency pursuant to this Agreement.
 - E. Maintain full and accurate records of operation pursuant to this Agreement and keep such records for a period of three years after the end of the Federal fiscal year for which this Agreement is in effect. Required data includes:
 1. Program Application/Agreement
 2. Policy Statement, if pricing program
 3. Children's applications for free milk, if pricing program
 4. Price paid for 1/2 pint, if pricing program
 5. Income received for milk sold (receipts), if pricing program
 6. Total 1/2 pints purchased (invoices)
 7. Total 1/2 pints served to adults (daily record)
 8. Total 1/2 pints served to children (total, if non-pricing program; free and paid, if pricing program)
 - F. Make available to the State Agency for examination and audit at any reasonable time and place, all accounts and records pertaining to the operation of the Special Milk Program.
 - G. Comply with all applicable provisions of Federal Procurement Standards.
3. This Agreement may be terminated upon ten days written notice on the part of either party hereto, and the State Agency may terminate this Agreement immediately after receipt of evidence that the terms and conditions of this Agreement have not been fully complied with by the Sponsor.
4. This Agreement shall be effective for the period commencing the 1st day of July 2010, and ending the following June 30, 2011.
5. The Sponsor hereby certifies that it is nonprofit, exempt from Federal Income Tax under the Internal Revenue Code, as amended, and is devoted to the care and training of children.
6. The assigned rate of reimbursement is (1) the rate per 1/2 pint of milk served to children as established by USDA in a pricing program who pay for this milk or to all children in a non-pricing program; and (2) the average cost of milk purchased and served to children in a pricing program who are eligible for free milk based on free milk applications.
7. No member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.
8. "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 50.3 and 42; and FNS directive 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 to necessary 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 the nondiscrimination laws and permit authorized USDA personnel during normal working hours 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, Food and Nutrition Consumer Service, shall have the right to seek judicial enforcement of this

assurance. This assurance is binding on the program applicant and its successors, transferees and assignees, as long as they receive assistance or retain possession of any assistance from the Department. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the program applicant."

9. Serve milk free to all eligible children at times that milk is made available to non-needy children under the Program. Make no discrimination against any child because of his inability to pay the full price of the milk.

10. 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 - Pasteurized fluid types of unflavored or flavored 1%(low fat), fat free milk, skim milk, or cultured buttermilk (1%) which meet state and local standards for such milk except that, in the meal pattern for infants (0 to 1 year of age) milk means unflavored types of whole fluid milk or an equivalent quantity of reconstituted evaporated milk which meets such standards. 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. 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.

SPONSOR

STATE AGENCY

(Name of Sponsoring Agency)

June B. Barrett, Program Coordinator
Child Nutrition Programs

(Signature of Authorized Official)

(Date)

(Date)