

Estimate of the Information Collection Burden for the  
Special Milk Program (OMB #0584-0005)

This document explains the calculation of the information collection burden for the Special Milk Program under OMB #0584-0005 as submitted for the renewal of the existing regulation. A notice was published in the Federal Register on April 29, 2015, at volume 80, page 23765. No comments were received in response to the agency's notice.

Section 215.2 defines the following:

“*School Food Authority (SFA)*” means the governing body which is responsible for the administration of one or more schools and which has the legal authority to operate a milk program therein. The term “*School Food Authority*” also includes a nonprofit agency to which such governing body has delegated authority for the operation of a milk program in a school.

“*Child care institution*”(CCI) means any nonprofit nursery school, child care center, settlement house, summer camp, service institution participating in the Summer Food Program for Children pursuant to part 225 of this chapter, institution participating in the Child and Adult Care Food Program pursuant to part 226 of this chapter, or similar nonprofit institution devoted to the care and training of children. The term “*child care institution*” also includes a nonprofit agency to which such institution has delegated authority for the operation of a milk program in the institution. It does not include any institution falling within the definition of “*School*” of this section.

“*FNSRO*” means Food and Nutrition Services Regional Offices, of the Food and Nutrition Service of the U.S. Department of Agriculture.

AFFECTED PUBLIC: STATE AGENCIES

REPORTING REQUIREMENTS

1. Section 215.5(a) requires that funds to be paid to any State shall be made available by means of Letters of Credit issued by FNS in favor of the State agency (SA). The State agency shall: (1) Obtain funds needed to reimburse School Food Authorities and child-care institutions through presentation by designated State officials of a Payment Voucher on Letter of Credit (Treasury Form GFO 7578) in accordance with procedures prescribed by FNS and approved by the U.S. Treasury Department; (2) submit requests for funds only at such times and in such amounts as will permit prompt payment of claims; (3) use the funds received from such requests without delay for the purpose for which drawn.

FNS estimates that 54 SAs will each file 24 reports annually for a total of 1,296 responses (54 X 24 = 1,296). The estimated average number of burden hours per response is 0.25 resulting in estimated total burden hours of 324 (1,296 X .25 = 324).

**This is a decrease of 104 burden hours due to a slight decrease in the amount of burden hours per response.**

2. Section 215.11(c)(2) requires that each SA shall also submit to FNS a quarterly Financial Status Report FNS-777 on the use of Program funds. Such reports shall be submitted no later than 30 days after the end of each fiscal year quarter.

**This burden is associated with the ICR for the Food Program Reporting System (FPRS) which contains the FNS-777, OMB Number 0584-0594, expiration date June 30, 2017. This is a decrease of 311 burden hours, resulting from a transfer of burden.**

3. Section 215.16 requires that, whenever it is determined that a State agency has materially failed to comply with the provisions of this part, or with FNS guidelines and instructions, FNS may suspend or terminate the Program in whole, or in part, or take any other action as may be available and appropriate. A State agency may also terminate the Program by mutual agreement with FNS. FNS and the State agency shall comply with the provisions of 7 CFR part 3016, concerning grant suspension, termination and closeout procedures.

**FNS has determined that this is a rare occurrence and the burden is negligible. This is a decrease of 156 burden hours due to a program adjustment correction.**

#### RECORDKEEPING REQUIREMENTS

1. Section 215.7 mandates application/recordkeeping requirements for participation in the Special Milk Program. Each SFA or CCI shall make written application to, and enter into a written agreement with, the State agency, or FNSRO where applicable, for any school or child-care institution in which it desires to operate the Program, if such school or child-care institution did not participate in the Program in the prior fiscal year.

FNS estimates that 54 SAs will each file 71.83 reports annually for a total of 3,879 responses ( $54 \times 71.83 = 3,879$ ). The estimated average number of burden hours per response is 0.10 resulting in estimated total burden hours of 387.88 ( $3,879 \times 0.10 = 388$ ).

**This is a decrease of 2,814 burden hours due to a correction in the number of SFAs and institutions from 5,569 to 3,879 and a decrease in the amount of burden hours per record.**

2. Section 215.11(b) requires State agencies to conduct reviews of schools participating in the Program for compliance with the provisions of this part when such

schools are being reviewed under the provisions identified under §210.18(i) of this title and to maintain documentation.

FNS estimates that 54 SAs will each file 5 reports annually for a total of 270 responses ( $54 \times 5 = 270$ ). The estimated average number of burden hours per response is .2 resulting in estimated total burden hours of 54 ( $270 \times .2 = 54$ ).

**This is a decrease of 687 burden hours due to a correction in the number of SFAs receiving a Program compliance review with a decrease in the amount of burden hours per record.** SFAs participating in both the National School Lunch Program and the Special Milk Program are limited since those children receiving milk cannot have access to a meal program. SFAs receive compliance reviews every few years (not annually). The previous renewal had significantly overestimated the number of Program assistance visits that occur annually and this number has been adjusted to reflect the average number of SFAs in each state receiving a Special Milk Program compliance review as a part of their National School Lunch Program review.

3. Section 215.11(c)(1) requires each SA to maintain Program records as necessary to support the reimbursement payments made to child care institutions or School Food Authorities under § 215.8 and § 215.10 and the reports submitted to FNS under § 215.11(c)(2).

For reports to USDA, FNS estimates that 54 SAs will each file 24 reports annually for a total of 1,296 responses ( $54 \times 24 = 1,296$ ). The estimated average number of burden hours per response is 0.1 resulting in estimated total burden hours of 130 ( $1,296 \times 0.1 = 130$ ).

For claim reimbursement records received from SFAs and CCIs, FNS estimates that 54 SAs will each file 862 records annually for a total of 46,548 responses ( $54 \times 862 = 46,548$ ). The estimated average number of burden hours per response is 0.1 resulting in estimated total burden hours of 4,655 ( $46,548 \times 0.1 = 4,655$ ).

**This is a combined decrease of 420 burden hours due to a correction in the number of responses and burden hours per response. This correction to 862 records annually reflects the average number of respondents per SA multiplied by 12 months.**

4. Section 215.12 states that SAs shall disallow any portion of a claim and recover any payment made to a School Food Authority or child-care institution that was not properly payable. SAs will use their own procedures to disallow claims and recover overpayments already made. Each State agency shall maintain all records pertaining to action taken.

FNS estimates that 54 SAs will each file 2 reports annually for total of 108 responses (54 X 2 = 108). The estimated average number of burden hours per response is 0.33 resulting in estimated total burden hours of 36 (108 X .33 = 36).

5. Section 215.13(a) requires that audits at the State and SFA/CCI levels shall be conducted in accordance with Office of Management and Budget Circular A-133 and the Department's implementing regulations at 7 CFR Part 3052.

FNS estimates that 54 SAs will each file 1 report annually for total of 54 responses (54 X 1 = 54). The estimated average number of burden hours per response is 0.26 resulting in estimated total burden hours of 14 (54 X 0.26 = 14).

#### AFFECTED PUBLIC: SCHOOL FOOD AUTHORITY (SFA) / INSTITUTION

#### REPORTING REQUIREMENTS

1. Section 215.7 mandates application/recordkeeping requirements for participation in the Special Milk Program. Each SFA or CCI makes written application to participate in the Program and enter into a written agreement with the SA or FNSRO.

FNS estimates that 3,879 SFAs will each file 1 report annually for a total of 3,879 responses (3,879 X 1 = 3,879). The estimated average number of burden hours per response is 0.25 resulting in estimated total burden hours of 969.80 (3,879 X .25 = 970).

**This is an increase of 955 burden hours due to an adjustment (correction). The previous renewal neglected to include all schools and institutions and only reflected ten that were administered by a FNSRO. This renewal reflects all schools and institutions submitting an application to participate by correcting the number of respondents. The response time has been corrected to accurately reflect actual reporting via streamlined electronic methods.**

2. Section 215.13(a) requires that, unless otherwise exempt, audits at the State and school food authority/child care institution levels shall be conducted in accordance with Office of Management and Budget regulations and the Department's implementing regulations.

**FNS has determined that this is a rare occurrence and the burden is negligible. This is a decrease of 5,569 burden hours due to a program adjustment correction.**

## RECORDKEEPING REQUIREMENTS

1. Section 215.7 requires each SFA or CCI approved to participate in the program to enter into a written agreement with the SA or FNSRO. Such agreement shall provide that the SFA or CCI shall retain Program records and make them available. It also requires that, in submitting a Claim for Reimbursement, each SFA or CCI certify that the claim is true and correct; that records are available to support the claim; that the claim is in accordance with the existing agreement; and that payment therefore has not been received.

FNS estimates that there are 3,879 SFAs that will each file 10 reports annually for a total of 38,790 responses ( $3,879 \times 10 = 38,790$ ). The estimated average number of burden hours per response is 0.2 resulting in estimated total burden hours of 7,758 ( $38,790 \times 0.2 = 7,758$ ).

**This is an increase of 7,758 burden hours due to a correction to add back a portion of the recordkeeping burden that was removed in the previous revision.**

2. Section 215.14a require SAs and SFAs to comply with the requirements of this part and the Department regulations which implement the applicable Office of Management and Budget regulations concerning the procurement of all goods and services with nonprofit school food service account funds. The SFA or CCI may use its own procurement procedures which reflect applicable State or local laws, provided that procurements made with nonprofit school food service account funds adhere to the standards set forth in federal regulation. SFA procedures must include a written code of standards of conduct meeting the minimum standards.

FNS estimates that there are 2,931 SFAs that will each file 1 report annually for a total of 2,931 responses ( $2,931 \times 1 = 2,931$ ). The estimated average number of burden hours per response is 0.2 resulting in estimated total burden hours of 586 ( $2,931 \times 0.2 = 586$ ).

**This is a decrease of 4,983 burden hours due to a correction in the number of responses and burden hours per response.**