534 UNPAID MEAL CHARGES

[Note: United States Department of Agriculture (USDA) Policy Memorandum SP 46-2016 requires all School Food Authorities (i.e., school districts) operating federal school meal programs to have a written and clearly communicated system to address unpaid meal charges by July 1, 2017. USDA Policy Memorandum SP 23-2017 clarified that school districts could adopt a "policy" or "standard practice." Although this document is styled as a "policy," school districts may establish and implement a set of written procedures instead of a policy, provided that the written document explains how the school district will handle situations where students eligible to receive reduced-price or paid meals do not have money in their account or in hand to cover the cost of their meals at the time of service. The policy or standard practice must be implemented throughout the school district.]

[Note: This MSBA/MASA model policy is drafted to be consistent for all grade levels. However, local school districts may vary the meal charge policy for elementary, middle, and high schools.]

[Note: School districts must follow appropriate debt collection practices when attempting to recover unpaid meal charges.]

I. PURPOSE

The purpose of this policy is to ensure that students receive healthy and nutritious meals through the school district's nutrition program and that school district employees, families, and students have a shared understanding of expectations regarding meal charges. The policy seeks to allow students to receive the nutrition they need to stay focused during the school day and minimize identification of students with insufficient funds to pay for school meals as well as to maintain the financial integrity of the school nutrition program.

II. PAYMENT OF MEALS

[Note: Payment systems and procedures will likely vary from school district to school district. The school district should select one of the following options and delete the remaining options.]

A. [OPTION 1: All meal purchases are to be prepaid before meal service begins. [Insert description for how families may add money to students' accounts (e.g., electronic payment options, pay at the school office, etc.).] A student who does not have sufficient funds will not be allowed to charge meals or a la carte items until additional money is deposited in the student's account.]

[OPTION 2: Students have use of a meal account. When the balance reaches zero, a student may charge no more than \$[insert amount] or [insert number of meals] to this account. When an account reaches this limit, a student shall not be allowed to charge further meals or a la carte items until the negative account balance is paid. [Insert description for how families may add money to students' accounts (e.g., electronic payment options, pay at the school office, etc.).]

[OPTION 3: Insert a school district-specific process for payment of meals.]

- B. If the school district receives school lunch aid under Minn. Stat. § 124D.111, it must make lunch available without charge to all participating students who qualify for free or reduced-price meals regardless of account balance.
- C. A student with an outstanding meal charge debt will be allowed to purchase a meal if the student pays for the meal when it is received.
- D. The school district may provide an alternate meal that meets federal and state requirements to a student who does not have sufficient funds in the student's account or cannot pay cash for a meal. The school district will accommodate special dietary needs with respect to alternate meals. The cost of the alternative meal (\$[insert amount]) will be charged to the student's account or otherwise charged to the student.
- E. When a student has a negative account balance, the student will not be allowed to charge a snack item.
- F. If a parent or guardian chooses to send in one payment that is to be divided between sibling accounts, the parent or guardian must specify how the funds are to be distributed to the students' accounts. Funds may not be transferred between sibling accounts unless written permission is received from the parent or guardian.

III. LOW OR NEGATIVE ACCOUNT BALANCES - NOTIFICATION

- A. The school district will make reasonable efforts to notify families when meal account balances are low or fall below zero.
- B. Families will be notified of an outstanding negative balance once the negative balance reaches \$[insert amount] or [insert number of meals]. Families will be notified by [insert the method used to notify families (e.g., automated calling system, email, letters sent home)].
- C. Reminders for payment of outstanding student meal balances will not demean or stigmatize any student participating in the school lunch program.

IV. UNPAID MEAL CHARGES

- A. The school district will make reasonable efforts to communicate with families to resolve the matter of unpaid charges. Where appropriate, families may be encouraged to apply for free and reduced-price meals for their children.
- B. The school district will make reasonable efforts to collect unpaid meal charges classified as delinquent debt. Unpaid meal charges are designated as delinquent debt when payment is overdue, the debt is considered collectable, and efforts are being made to collect it.
- C. Negative balances of more than \$[insert amount], not paid prior to [enter time period (e.g., end of the month, end of the semester, end of the school year)], will be turned over to the superintendent or superintendent's designee for collection. Collection options may include, but are not limited to, use of collection agencies, claims in the conciliation court, or any other legal method permitted by law.
- D. The school district may not enlist the assistance of non-school district employees, such as volunteers, to engage in debt collection efforts.

V. COMMUNICATION OF POLICY

- A. This policy and any pertinent supporting information shall be provided in writing (i.e., mail, email, back-to-school packet, student handbook, etc.) to:
 - 1. all households at or before the start of each school year;
 - 2. students and families who transfer into the school district, at the time of enrollment; and
 - 3. all school district personnel who are responsible for enforcing this policy.
- B. The school district may post the policy on the school district's website, in addition to providing the required written notification described above.

Legal References:

Minn. Stat. § 124D.111, Subd. 4

42 U.S.C. § 1751 et seq. (Healthy and Hunger-Free Kids Act)

7 C.F.R. § 210 et seq. (School Lunch Program Regulations) 7 C.F.R. § 220.8 (School Breakfast Program Regulations)

USDA Policy Memorandum SP 46-2016, Unpaid Meal Charges: Local

Meal Charge Policies (2016)

USDA Policy Memorandum SP 47-2016, Unpaid Meal Charges:

Clarification on Collection of Delinquent Meal Payments (2016)

USDA Policy Memorandum SP 23-2017, Unpaid Meal Charges: Guidance

and Q&A