



*NUTRITIONAL*  
**PURSUIT**

SNP Back to School Conference  
ISBE Nutrition Division

# UNPAID MEAL CHARGES

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Local Meal Charge  
Policy Requirements  
and Best Practices



# Local Meal Charge Policies






Beginning in SY 2017-2018:

All SFAs operating in the NSLP and/or SBP were required to develop and have a meal charge policy in place by July 1, 2017 for the 2017-18 school year.





# Key Policy Considerations

-  Maintain the **financial integrity** of the Programs
-  Provide children with **adequate nutrition** to focus in school
-  Minimize **stigmatization** of children with meal charges



## Policy Requirements

- The policy must be district-wide and consistent across all schools, except that the policy may vary by grade level
- Must include policy regarding collection of delinquent debt



## Policy Communications



SFAs must communicate policy, in writing, to:

- All families at the start of the school year
- Families with students who transfer mid-year



SFAs must provide the policy, in writing, to any school or district-level staff members responsible for policy enforcement



Share in multiple ways



## USDA Checklist

### Local Meal Charge Policy Communication Requirements for All SFAs

<https://www.fns.usda.gov/school-meals/unpaid-meal-charges>

#### Local Meal Charge Policy Communication Requirements for All SFAs

provided in [SP 46-2016](#), no later than July 1, 2017, all SFAs operating the Federal school meal programs are required to have in place a written meal charge policy, and to communicate that policy to families and school and/or district-level staff members, as appropriate.

**an annual basis, SFAs must ensure the policy is communicated as required, and may use the following questions as a guide:**

Have all families received a written copy of the meal charge policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Describe how the policy is communicated: _____ _____
Have all families of transfer students received a written copy of the meal charge policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Describe how the policy is communicated: _____ _____
Have all school and/or district-level staff members responsible for policy implementation received a written copy of the meal charge policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Describe how the policy is communicated to staff members (i.e., during annual training) and which staff members are included: _____ _____ _____
Is there a system in place to notify families of the meal charge policy when sending the initial notification of an account in debt?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Describe how families are reminded of the policy when the notification is sent: _____ _____ _____



## Recordkeeping

- SFAs must provide policies during the Administrative Review
- SFAs must maintain documentation of policy communication methods



# Best Practices and Strategies

Maximize Access  
to School Meal  
Benefits

Prevent and  
Reduce  
Delinquent Debt

Prevent Student  
Distress

Alternative  
Funding Sources





# Maximize Access to School Meal Benefits





## Maximizing Access to School Meal Benefits



Provide  
Application  
Assistance

- During school events:
  - Onsite Registration
  - Back to school night
  - School conferences
- Through community partners:
  - Advocacy groups, social service agencies, etc.
  - May be able to provide language services for LEP individuals



Maximizing Access to  
School Meal Benefits



Reach All  
Eligible  
Children

- Remind and encourage families that they may submit an application at any time during the school year
- Accept previous eligibility determinations for transfer students



Maximizing Access to  
School Meal Benefits



Take  
Advantage  
of USDA  
flexibilities

- Establishing effective date of eligibility
- Districts may choose to allow participating schools to offer meals at no cost to students who would otherwise qualify for reduced price benefits



Maximizing Access to  
School Meal Benefits



Community  
Eligibility  
Provision

- Allows eligible schools to offer school meals at no charge to all students
- Saves time and money by streamlining paperwork and administrative requirements



# Prevent and Reduce Delinquent Debt





## Unpaid Meal Charges: Delinquent Debt vs. Bad Debt

### Delinquent Debt

- Payment of meal charges is overdue as defined by State and local policies
- SFAs must make reasonable efforts to collect
- Charges may be carried over at the end of the school year (*i.e., beyond June 30<sup>th</sup>*)

### Bad Debt

- Collection efforts have been exhausted and balance deemed uncollectable
- Bad debt costs are unallowable and may not be covered using school food service account funds



**Prevent and Reduce  
Delinquent Debt**



**Make  
Payment  
Options  
Convenient**

- Online payment systems
- Automatic payment options when balances are low
- Option for parents to set limitations on a la carte purchases
- Repayment plans
- Encourage families to track spending





**Prevent and Reduce  
Delinquent Debt**



**Provide  
Regular  
Payment  
Reminders**

- Districts are encouraged to communicate directly with adults in the household regarding overdue payments/negative balances
- Multiple approaches can be used to ensure reminders reach all families



Payment Reminder Options	
Written	SFAs may send discreet payment notices directly to a family’s email account. General payment reminders for all families may be included in the school newsletter, on the lunch menu, or with student “take-home folders.” A <a href="#"><i>Sample Outstanding Balance Letter</i></a> is included in the appendix.
Verbal	School officials may call families on the telephone to remind them to refill their child’s account. Many SFAs choose to communicate payment reminders using a “robo-call” system to contact families on a weekly or bi-weekly basis, as needed. <a href="#"><i>Sample Robo-Call Scripts</i></a> are included in the appendix.
Automated	SFAs using an online payment system may send automated alerts when a child’s balance reaches a low level, such as \$5 or \$10. With household authorization, SFAs may also send automated text message alerts.
In Person	A trusted school official may reach out to families with unpaid meal debt in person. Meal charges may be a sign of other challenges facing a family. Having a trusted school official assess the situation firsthand can help the school determine the appropriate response for each individual family.
With Other Payment Reminders	Schools may include all outstanding payments, including fees for books, school uniforms, and unpaid meal charges, when sending notices to families. This streamlines communications, helps families track their payments, and was cited as a best practice during the FNS webinar <a href="#"><i>The Challenges of Unpaid Meals: Proven Strategies from Our Nation’s Schools</i></a> .



## Prevent and Reduce Delinquent Debt



Clear and  
Ongoing  
Communication  
of the Meal  
Charge Policy

- Prevents confusion for families
- Share the policy again with the family the first time the policy is applied to a specific child
- Mention the charge policy on reminder calls and include in written notices of low or negative account balances



**Prevent and Reduce  
Delinquent Debt**



**Establish  
Consistent  
Collection  
Procedures**

- Procedures should not have a negative impact on the child
- Focus on adults in the household who are responsible for providing funds
- Consider whether the benefit of collections outweigh the costs incurred to achieve collection



# Prevent Student Distress





## Preventing Student Distress



Communicate  
Discreetly

- Best practice is to keep low or negative account balances confidential
  - Refrain from notifying children of their meal charge debt in front of other students



# Preventing Student Distress

Discouraged Actions	Encouraged Actions
Announcing or publicizing the names of children with unpaid meal charges	Communicating privately with families about a child’s outstanding balance
Using hand stamps, stickers, or other physical markers to identify children with unpaid meal charges	Communicating payment reminders directly and discreetly to adults in the household
Sending clearly marked notices home when children have an outstanding balance	Sending discrete reminders in a plain, white envelope
Throwing a child’s meal in the trash if they are unable to pay	Serving children the regular reimbursable meal while working with the family to obtain payment



## Preventing Student Distress



Regular  
Reimbursable  
vs. Alternate  
Meals

- USDA Food and Nutrition Service encourages providing a regular, reimbursable meal to all children who want one
- Prevents embarrassment of children with unpaid meal charges
- Ensures schools receive Federal reimbursement at the reduced or paid rate





# Preventing Student Distress

**If alternate meals are offered,  
the Meal Charge Policy should explain:**

- The meal service(s) that offer alternate meals
- The duration of the provision of alternate meals
- If applicable, the cost of the alternate(s)
- How alternate meals are presented



# Alternative Funding Sources





## Alternative Funding Sources



## Community Funding

### Examples:

- Community civic groups
  - Local United Way
  - Kiwanis Clubs
- School volunteer organizations
- Other local charities



The screenshot shows the homepage of the Feed the Gap website. At the top left is the logo, which consists of a circular graphic with the text "FEED THE GAP" next to it. To the right of the logo is a navigation menu with links for "Home", "What We Do", "Video", "FAQ's", "FTG Family", "Board Members", and "Be Involved". Below the navigation is a large image of a child's school lunch tray. The tray contains a carton of TruMoo milk, a slice of orange, a fried egg, and a bowl of chicken nuggets. A text box is overlaid on the right side of the image with the following text:

**FEED A SCHOOL. FEED THE GAP.**

Feed the Gap, in partnership with the Boise School District, is working to eliminate child hunger in their schools by feeding hungry children. These children do not qualify, or have not yet applied for free or reduced price breakfast and lunch meals through the USDA Child...

[Read More](#)

Below the image is a quote:

"The Mission of Feed the Gap, Inc. is to collaborate with professional organizations to end child hunger in our state."

Our three stated goals are: (1) feed hungry children in Idaho schools who do not qualify for free or reduced

<http://feedthegap.org/>



## Alternative Funding Sources



“Random  
Acts of  
Kindness”  
Funding

- Sometimes called “Angel Fund”
- Funds contributed to a general lunch account which may be used by children unable to pay for a meal



## Alternative Funding Sources



## School Fundraisers

- USDA Team Nutrition Healthy Meals Resource System includes ideas for healthy school fundraisers



## Alternative Funding Sources



## End of Year Donations

- Donations from families with excess funds remaining in their child's account

*\*Households approved for reduced price benefits must receive a refund*



## Alternate Funding Sources

When using alternative funding sources keep in mind:

- Districts/schools should develop a policy or standard practice for determining how funds are distributed toward unpaid charges
- While alternative funding options can help supplement other efforts to prevent or alleviate unpaid meal charges, it is not considered a long term solution





## USDA Policy and Guidance

- SP 46-2016: Local Meal Charge Policies
- SP 47-2016: Clarification on Delinquent Meal Payments
- SP 23-2017: Unpaid Meal Charges: Guidance and Q&A
- SP 29-2017 GUIDE: Overcoming the Unpaid Meal Challenge: Proven Strategies from our Nation's Schools (2017)



## USDA Food and Nutrition Service Unpaid Meal Charges Webpage

<https://www.fns.usda.gov/school-meals/unpaid-meal-charges>

**USDA** United States Department of Agriculture  
Food and Nutrition Service

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- > State Agency Contacts

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- > Disaster Assistance
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- > Food Safety
- > Grants
- > Guidance and Resources
- > Policy
- > Press Releases
- > Professional Standards
- > Legislation & Regulations
- > Reports
- > Research
- > Tools for Schools
- > Unpaid Meal Charges

**School Meals Programs**

**School Meals**

**Unpaid Meal Charges**

Print

The goal of the School Meal Programs is to provide nutritious meals to children during the school day. Children may receive breakfast and lunch at no cost to them if they are categorically eligible for free meals or if they qualify for free meals based on Federal poverty guidelines. Sometimes, however, children who do not qualify based on these standards would like a breakfast or lunch, but do not have money in their account or in-hand to cover the cost of the meal at the time of the meal service.

FNS recognizes that unpaid meal charges represent a difficult and complex issue directly impacting the schools participating in our programs, as well as the children they serve. We are sensitive to the fact that local officials must balance their desire to provide for hungry children lacking the means to pay for meals with the demands of maintaining the financial viability of their school food service operation. FNS greatly appreciates the efforts of local officials working to overcome this challenge in communities nationwide.

This section of our website includes policy guidance, best practice resources, and other tools State agencies and local program operators can use in their efforts to overcome the challenge of unpaid meal



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# THANK YOU!

