



### UNPAID MEAL CHARGES

Local Meal Charge Policy Requirements and Best Practices



### **Local Meal Charge Policies**



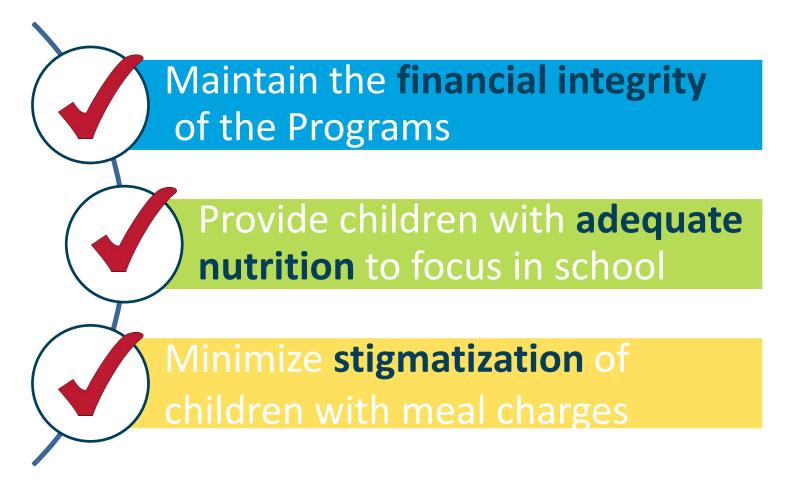
Beginning in SY 2017-2018:

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**





### **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

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### **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 <u>SP 46-2016</u>, no later than July 1, 2017, all SFAs operating the Federal school meal grams are required to have in place a written meal charge policy, and to communicate that policy amilies 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 owing questions as a guide:

Have all families received a written by of the meal charge policy?	☐ Yes ☐ No	Describe how the policy is communicated:
Have all families of transfer dents received a written copy of the al charge policy?	☐ Yes ☐ No	Describe how the policy is communicated:
Have all school and/or district-level f members responsible for policy orcement received a written copy he meal charge policy?	☐ Yes ☐ No	Describe how the policy is communicated to sta members (i.e., during annual training) and whice staff members are included:
s there a system in place to notify nilies of the meal charge policy en sending the initial notification of inquent debt?	☐ Yes ☐ 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** 

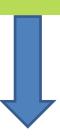


### Reach All Eligible Children

- 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



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



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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 <u>Sample Outstanding Balance Letter</u> 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="Sample Robo-Call Scripts">Sample Robo-Call Scripts</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="https://doi.org/10.1007/jhearts.com/">The Challenges of Unpaid Meals: Proven Strategies from Our Nation's Schools</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









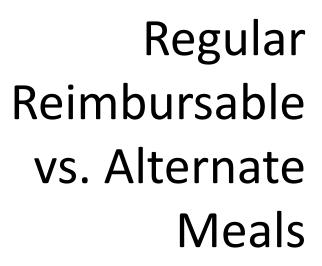
# Communicate Discreetly

- 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



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





- 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



## 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









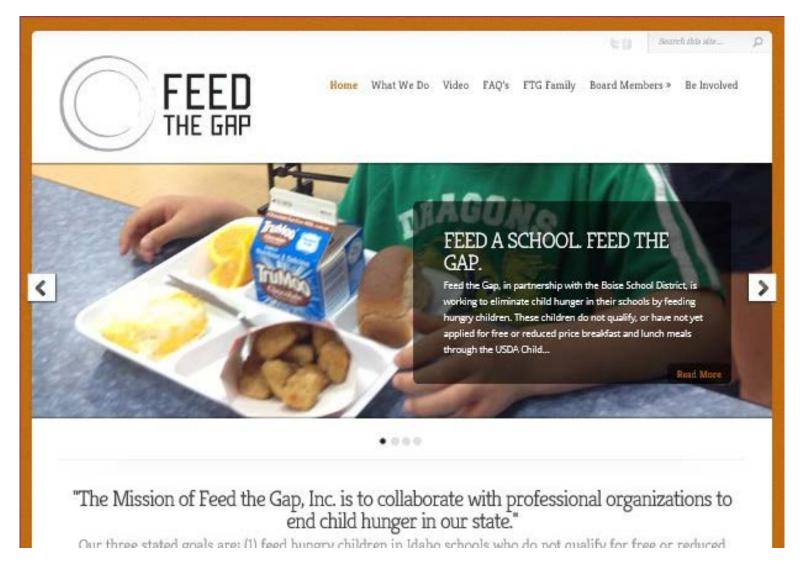
# Community Funding

#### **Examples:**

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

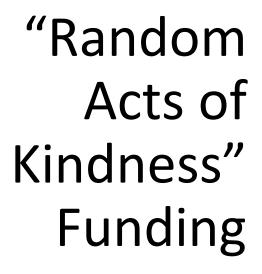


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http://feedthegap.org/





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





# School Fundraisers

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





# 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



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)



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#### **USDA Food and Nutrition Service**

**Unpaid Meal Charges Webpage** 

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





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### **THANK YOU!**

