

Proposed Unpaid Meal Charge Policy

Policy:

Policy for Students with Insufficient Funds for School Meals and Delinquent Accounts in the Child Nutrition Program (aka Meal Charge Policy OR Unpaid Meal Charge Policy).

Regulations:

2 CFR Part 200 Section 143 of the Healthy, Hunger-Free Kids Act of 2010.

The National School Lunch and School Breakfast Programs are integral in ensuring that students have access to nutritious meals to support their academic success. It is also imperative to protect the financial stability of school nutrition program.

The intent of this policy is to establish a process and procedure to handle situations when children eligible for reduced-price or full-price meal benefits have insufficient funds to pay for school meals; as well as for the collection of unpaid meal charges and delinquent account debt.

Requirement:

All school food authorities (SFAs) must develop a written policy for children eligible for reduced-price, full-price meals that do not have money to pay for meals at the time of service and communicate the policy to all students and households by the beginning of the 2017-2018 school year.

- 1.a Students who qualify for free meals will not be denied a reimbursable meal even if they have accrued a negative balance on their cafeteria account.
- 1.b Students who have money to pay for a reduced-price or full price meal at the time of service must be provided a meal. If the student intended to use the money for that day's meal, the SFA will not use the money to repay a negative balance or other unpaid meal charge debt.
- 1.c Students will be allowed to charge meals, depending on circumstances. In this case a student meal debt of \$30.00 is considered excessive debt.

Requirement:

The policy must be communicated to all students and households by the beginning of the 2017-2018 school year. SFAs/CNP must document methods of communicating the policy to households and training of staff responsible for policy enforcement.

Communicating the Policy

- 2.a The written meal charge policy will be communicated to the household by posting on the Ponca City Public Schools/Child Nutrition website and included in a student information packet.
- 2.b The written meal charge policy will be communicated to all division staff prior to the first day of school.
- 2.c Child Nutrition Program staff will receive training on meal charge policy and record of training will be maintained as part of the professional development portfolio.

- 2d. Documentation of the communication and training plan will be maintained for the Federal Program Administrative Review.

Notifying the Household of Low or Negative Balance in Student Cafeteria Account

- 3.a The student's household will be notified when a student's cafeteria account debt is \$30.00.
- 3.b The SFA/CNP will notify households of low or negative balances via letters to the household sent home with the student and/or letter sent via mail service and/or e-mail and/or other methods.
- 3.c Notifications to households will include the amount of unpaid meal charges, expected payment dates, the consequences of non-payment and where to go for questions or assistance.
- 3.d The consequences of non-payment will be determined on a case-by-case basis.
- 3.e The persons responsible for managing unpaid meal charges are:
 - a. CNP school-based staff will collect payment for meals at the POS.
 - b. CNP school-based staff, CNP central office and Site Administrators will be involved in contacting the households.

Delinquent debt is allowable in the School nutrition program, may not be carried over to one successive school year, but can be continued to be collected.

Bad debt is defined as delinquent debt that is deemed uncollectible at the end of the school year. Bad debt is unallowable in the SNP and cannot be carried over to the next school year. Funds resulting from bad debt cannot be recovered using SNP funds and must be offset by non-federal sources.

- 4.a. At the end of the school year, the CNP Director and the Finance Director will evaluate all delinquent debt for conversion to bad debt. Bad debt will be restored to the CNP from the general fund prior to the end of the same fiscal year.
- 4.b Efforts to collect delinquent and/or bad debt will be handled by:
 - a. The specific attendance site will Send First and Second Letters
 - b. The specific attendance site will make Phone calls to the household
 - c. If no resolution is met, site Principals will contact the household
 - d. If no resolution, a Notice of Adverse Action/potential collections will be mailed to the household
 - e. Fourteen days after the Notice is sent, all meals for the student will be suspended until a resolution to the situation has been met.

Assistance to Households

Households with questions or needing assistance may contact the school office where their student attends or the Ponca City Schools Child Nutrition Programs district office.

Collection procedures for Delinquent and Bad Debt- Adverse Action

Funds from the SFA account may be used to pay for costs associated with a collection agency.

Example:

- 5.a. When a household has reached threshold of \$30 dollar amount, collection procedures will be initiated.
- 5.b. Household will receive a Notification/Notice of Adverse Action stating collection procedures have begun.
- 5.c. If payment is not received or arrangements have not been made, the student will not be provided a meal,
- 5.d. In the event of the conditions of the arrangement are not met, the student will not be provided a meal.