



# Unpaid Meal Charges: Local Charge Policy Requirement

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United States Department of Agriculture



# Today's Agenda

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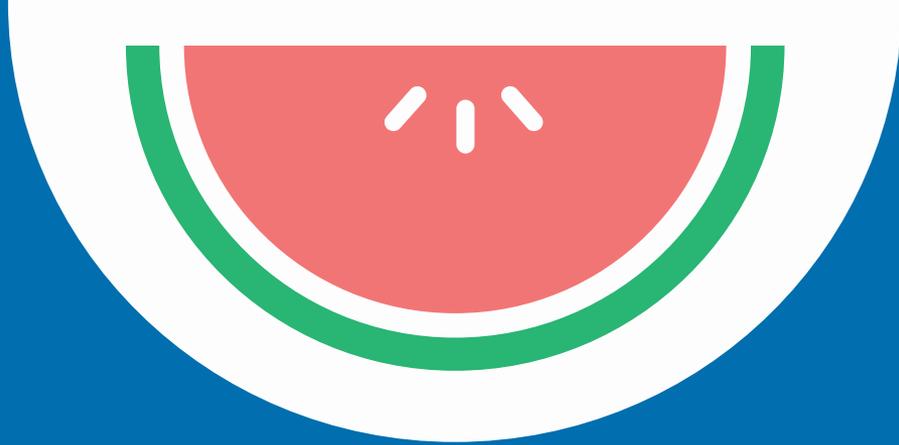
- Introduction
- Local Charge Policy Requirement
- Policy Communication Requirement
- Best Practices
- Resources
- Questions

# Submit Your Questions!

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*Submit **questions** and share **best practices** using the “Chat” feature on the left hand side of your screen!*





# Introduction



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# Healthy Hunger-Free Kids Act of 2010

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- Required USDA to examine and report to Congress on current charge and alternate meal policies and practices
- Final report submitted to Congress in July 2016



# Special Nutrition Program Operations Study School Year 2011-2012

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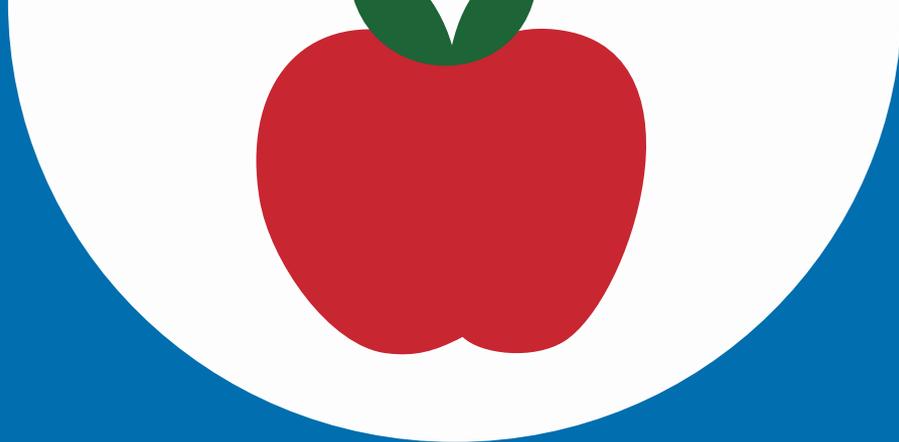
- 58% of SFAs incurred unpaid meal costs during SY 2010-2011
- Only 35% of States had a policy or standard practice regarding the service of meals to students without funds to pay for their meal

# Next Steps for FNS

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- Request for Information
  - 462 comments
  - 95% from the local level
- February 2016 Webinars
  - About 1500 participants
- March 2016 Roundtable
  - Advocates and professional associations





# Local Charge Policy Requirement



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# What is the Requirement?

- All SFAs operating the NSLP and/or SBP **must** develop a meal charge policy
- Must be in place by July 1, 2017\*
- Local discretion

*\*SY 2017-2018*



# Level of Policy Development

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## OPTIONS:

- State-level policy implemented by all SFAs
- Combination State/SFA-level policy
- SFA-level policy



# Key Policy Considerations

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



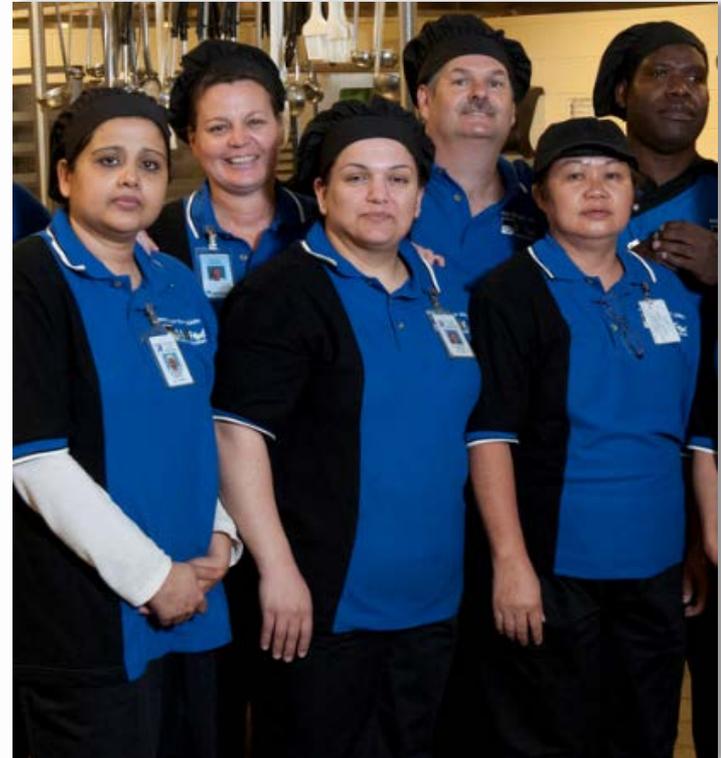
# Preventing Student Distress

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

# Stakeholder Involvement

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- School administrators
- School board members
- School food service professionals
- Social workers
- Families



# Alternate Meals



# Policy Recommendations: Alternate Meals

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*If alternate meals are offered, SFAs 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



# Alternate Meal Requirements

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- **Reimbursable** alternate meals must:
  - Meet meal pattern requirements
  - Meet Paid Lunch Equity requirements, when served to students eligible for “paid” meals
- **Non-reimbursable** alternate meals must:
  - Be paid for using non-Federal funds
  - Meet Smart Snacks and non-program food requirements, if students are charged for the meal

# Policy Recommendations: Debt Collections

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- Focus on adults responsible for providing funds
- Consider costs vs. benefits of debt collection efforts



# Policy Checklists

Found in the Appendix of  
 “Overcoming the Unpaid  
 Meal Challenge: Proven  
 Strategies from Our  
 Nation’s Schools”

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

## Local Meal Charge Policy Considerations for All SFAs

As provided in SP 46-2016, no later than July 1, 2017, all SFAs operating the Federal school meal programs are required to have a written meal charge policy. An SFA may have a consistent policy for all students in the school district or choose to apply the policy differently based on student grade level.

For each entity or grade level that has a different policy, FNS encourages SFAs to explain in the policy:

<p>1. Are students unable to pay for their meal at the time of the meal service allowed to charge a meal?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p>	<p><i>If yes, which meals may be charged?</i></p> <p><input type="checkbox"/> Breakfast  <input type="checkbox"/> Lunch  <input type="checkbox"/> Afterschool Snacks</p>
<p>2. If students are allowed to charge a meal, is there a limit to the number of charges or dollar limit allowed before requiring payment of the debt?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  <input type="checkbox"/> N/A</p>	<p><i>If yes, what is the number or dollar amount for the charge limit(s)?</i></p> <p>_____</p>
<p>3. If students are allowed to a charge meal, will they receive reimbursable or alternate meals?</p>	<p><input type="checkbox"/> Reimbursable  <input type="checkbox"/> Alternate  <input type="checkbox"/> N/A</p>	<p><i>If students will receive an alternate meal, what will the meal contain? (Include all meals that apply.)</i></p> <ul style="list-style-type: none"> <li>• Breakfast: _____</li> <li>• Lunch: _____</li> <li>• Afterschool Snacks: _____</li> </ul>
<p>4. If students are allowed to charge a meal, will they have limitations on the foods they may select for a reimbursable meal?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  <input type="checkbox"/> N/A</p>	<p><i>If yes, what are the limitations?</i></p> <p>_____</p> <p>_____</p> <p>_____</p>



# Policy Communications



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# Policy Communications: Families

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- SFAs **must** communicate the policy, in writing, to:
  - All families at the start of the school year
  - Families with students who transfer in to the SFA mid-year



# Additional Communication Strategies

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- “Back-to-School” packets
- School or district websites
- Student handbooks
- Written notices



# Policy Communications: SFA Staff



- SFAs **must** communicate policy, in writing, to staff members responsible for:
  - Collecting payment
  - Notifying families of low/negative balances
  - Enforcing the policy

# Recordkeeping

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- SFAs **must** provide policies to the State agency during the Administrative Review
- SFAs **must** maintain documentation of policy communication methods



# Policy Updates

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*SFAs are encouraged to **review** and **revise** the policy regularly.*



# Best Practices



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# 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
- Deadline to elect CEP for the upcoming school year: **June 30**



# Application Outreach

- Summer Outreach
- School Year Outreach
- Community Outreach



# Changes in Household Circumstances

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*Families may apply (or reapply) for free or reduced price meals at **any time** during the school year.*

# Transfer Students

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- Schools are encouraged to accept transfer student's previous eligibility determinations
- Schools are not liable for the accuracy of the previous determination



**SP 51-2016: Ensuring Year-long Eligibility in the School Lunch and School Breakfast Programs**

# Language Assistance

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- **Identify the Language:** Share USDA's "I Speak" document with parents/guardians
- **Provide Translations:** 49 translations are currently available on the FNS Translated Applications webpage
- **Develop Partnerships:** Partner with community organizations to deliver accurate, cost-effective language services

**SP 37-2016: Meaningful Access for Persons with Limited English Proficiency in the School Meal Programs: Guidance and Q&As**

# Payment Options



- Provide on-line payment systems
- Encourage families to track spending
- Allow automatic deductions when balances are low
- Provide repayment plans

# Payment Reminders

- Email
- Telephone
- Automated
- In-person
- With other reminders



## Sample Materials

*Found in the Appendix of  
“Overcoming the Unpaid  
Meal Challenge: Proven  
Strategies from Our  
Nation’s Schools”*

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

### Sample Outstanding Balance Letter

[PARENT/GUARDIAN NAME(S)]

[ADDRESS]

[CITY, STATE, ZIP CODE]

[MM/DD/YEAR]

Dear [NAME(S)],

The goal of [NAME OF SCHOOL'S] breakfast and lunch program is to provide healthy meals to children during the school day. In order to serve healthy, high-quality meals to all children, we must make sure we are financially secure. You play a key role in this effort, and are responsible for purchases made by your child in our school cafeteria.

As of [DATE], your child has a negative balance of \$[X.XX]. We strongly encourage you to pay this amount as soon as possible. Your response to this request is important. Paying back a debt shows your personal responsibility. It also keeps our food service program strong and ensures all children at our school have access to the healthy food they need to focus in the classroom.

To review [NAME OF SCHOOL'S] Meal Charge Policy, and the penalties for failing to pay back your child's negative balance, please visit [include web address here, or include a copy of the Unpaid Meal Charge Policy in the letter]. We understand that mistakes happen. But meal payments are important to our program, and we must collect your cafeteria debt.

Please contact [NAME OF SCHOOL OFFICIAL] if you have questions. If you think your child may qualify for free or reduced price school meals, please see the next page.

Thank you for your quick payment.

Sincerely,

[NAME], [TITLE]

CC: [NAME OF TEACHER, PRINCIPAL, SUPERINTENDENT, ETC. AS APPROPRIATE]

INCLUDE  
PHOTO OF  
SCHOOL  
OFFICIAL  
WRITING THE  
LETTER



# Discretionary Elimination of Reduced Price Charges

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- At the discretion of SFAs, schools may serve meals at no cost children eligible for reduced price meals
- Expenditures associated with covering student payments may be funded from the nonprofit food service account



**SP 17-2014: Discretionary Elimination of Reduced Price Charges in the School Meal Programs**

# Charitable Funding Sources

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- Community funding
- “Random Acts of Kindness” funding
- School fundraisers
- End of year donations



# Charitable Funding Sources

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- SFAs should develop a distribution plan for charitable funding sources
- School food service professionals should never be expected to:
  - Solicit funds
  - Pay for children's meals



# Unpaid Meal Charges Website

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## Policy Guidance:

- SP 46-2016: Local Meal Charge Policies
- SP 47-2016: Clarification on Delinquent Meal Payments
- SP 57-2016: Guidance and Q&A

## Best Practices:

- GUIDE: Overcoming the Unpaid Meal Challenge: Proven Strategies from Our Nation's Schools
- WEBINAR: The Challenge of Unpaid Meals: Proven Strategies from Our Nation's Schools

**Find these resources and more at:**

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





Thank You!

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<http://www.fns.usda.gov>



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