

Developing a Meal Charging Policy

General considerations:

USDA Memo 46-2016 identifies the July 1, 2017 implementation requirement for a written document explaining how the SFA will handle situations where children, eligible to receive reduced-price or paid meals, do not have money in their account or in hand to cover the cost of their meal at the time of service.

School Food Authorities (SFA) must ensure the policy is provided in writing to all households at the start of each school year and to households transferring to the school or school district during the school year.

Encourage buy-in by including all stakeholders in conversation. After the policy is developed, make everyone (all staff, households, and public) aware of the district policy and how it will be implemented – including the plan for notifications and collection activities.

Be consistent with all students. Check processes to be sure the meal eligibility status of a student is not revealed.

Do not identify debtors through posting of names or household notification method.

Who is exempt from impact – a student who is approved for free meals cannot be denied a meal no matter what the balance is and a student, that has cash to pay the price of the meal that day, cannot be denied a meal even if the payment does not completely put the account in a positive balance.

The LEA is not required to provide an alternate meal to paid or reduced price eligible students who have no money and/or a negative balance but may choose to do so.

Below are topics to consider as you develop your policy:

Will the policy apply to both Breakfast and Lunch programs?

Will charging be allowed for a la carte items?

Will the policy address staff debt or set limits for charging?

Clearly identify a threshold to implement your plan – will it be account balance based or based on the value of a number of meals? Will the threshold change at the various grade levels – elementary, middle, and high school?

What is the process to monitor negative balances – who is responsible, how frequently are debtors identified, what is the notification method and frequency to households of low or negative balances?

If donations might be received have a policy on how to apply the funds/what criteria if the donation purpose is general or vague – apply to a debt larger than \$ XYZ amount? To cover the costs of alternate meals offered? Review effects long term – will parents quit paying? How to notify households – with suggestion that now that the debt is reduced or gone, hope they will take this opportunity to keep it current/pay it off?

If a meal will be provided:

- Will it meet the reimbursable meal pattern (5 components) or not?
- Will the student be charged? What price?
 - If charged, non-reimbursable items must meet smart snack requirements for entrees and sides.
- How will you notify students and serving or cashier staff (only those that have a need to know)?
- How will you serve it? (brown bag, tray, etc.) All meals should be served using the same serving items (tray, bag, box) as other meals are served.
 - Cannot identify students as debtors by items or service style – are all items served available as a choice to other students? Served in the same manner? If you offer an alternate meal the items in this meal must be available to all students.
 - If the SFA plans to claim the alternate meal for reimbursement, the student must have the option to take all 5 components for lunch and 3 components for breakfast, and all components must be available. The meal should be counted and claimed in the appropriate eligibility category.
- Knowing ahead – how can students be given a heads-up?
- A la carte - if there is no a la carte available, we recommend 3 components be served including at least ½ cup fruit or vegetable so that the tray appears similar to other trays.
- If the LEA does not use Offer vs. Serve: serving an alternate meal with less than 5 components for lunch and 3 components for breakfast would identify students that owe money.
- Cost – Can donations pay for this?
- Recordkeeping on costs of nonprogram food and/or number of meals served required.
- How long can the individual receive an alternate meal (two weeks? 6 months?)
- Special diet accommodations must be made.

If no meal will be provided:

- What is the threshold for meal service to be suspended – account balance based or based on the value of a number of meals? Will the threshold change at the various grade levels – elementary, middle, and high school?
- When and how (phone, email, letter) will the household be notified? By who? Frequency? Where will the documentation of notification be maintained?
- How will the student be informed when the threshold is reached? By who? How will the student be protected from identification as a debtor?
- Will it be necessary to change where the Point of Sale (cashier) is located? Front of the line? Requires the last serving person to verify that reimbursable meals are served.
- Contingency plan for the hungry student who can't focus, is distracting in class – call parent? Or will this increase traffic to the school nurse?
- How long to continue with no meal if no lunch is brought from home and no payments received.
- Has the school's legal counsel been made aware of the new policy?

Resources:

USDA Memo: SP-46-2016 Unpaid Meal Charges: Local Meal Charge Policies, click here:

<https://www.fns.usda.gov/unpaid-meal-charges-local-meal-charge-policies>

USDA web page: School Meals - Unpaid Meal Charges <https://www.fns.usda.gov/school-meals/unpaid-meal-charges>

USDA Document: Overcoming the Unpaid Meal Challenge: Proven Strategies from Our Nation's Schools https://www.fns.usda.gov/sites/default/files/cn/unpaidmealcharges_guide.pdf

USDA Memo: SP 57-2016 Unpaid Meal Guidance and Q&As. Please note that Q24 and 25 are currently under review in light of specific Iowa regulations. <https://www.fns.usda.gov/sites/default/files/cn/SP57-2016os.pdf>