

Policy EF-R

Students with Insufficient Funds for School Meals and Delinquent Accounts in the School Nutrition Program

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 the 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.

I. Eligibility, reimbursable meals and charging limitations

- 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 are allowed to charge up to a maximum of \$25 dollars, after which collection procedures will begin.
- 1.c Students who charge a meal will receive a reimbursable meal.

II. Communicating the Policy

- 2.a The written meal charge policy will be communicated to the household by:
 - i. Posting on the Mecklenburg County Public Schools division website
 - ii. Including in the student information packet distributed on the first day of school
 - iii. Providing access to all transfer students during the school year
 - iv. Attaching to the Household Application.
- 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.
- 2.d Documentation of the communication and training plan will be maintained for the Federal Program Administrative Review.

III. Notifying the Household of a Negative Balance in Student Cafeteria Account

- 3.a The School Food Authority (SFA) will notify a household of a negative balance by:
 - i. 1st notice will be via letter
 - ii. 2nd notice will be via school messenger
 - iii. 3rd notice will be via a phone call from the School Nutrition Program office and/or the school principal.
- 3.b 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.c The persons responsible for managing unpaid meal charges are:

- a. School Nutrition Program school-based staff will collect payment for meals at the Point of Sales (POS).
- b. School Nutrition Program central office will contact households.

IV. Delinquent debt is allowable in the School nutrition program and may be carried over to one successive school year.

- 4.a. The student's household will be notified that the debt has been deemed delinquent after
 - i. The student's charges exceed \$25
 - ii. At least four successive attempts have been made to collect the debt
 - iii. Payment arrangements have not been secured via written agreement.
- 4.b. The student may not be eligible to participate in extra-curricular activities that have an outstanding balance.

V. 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. Parents or guardians are responsible for paying the bad debt.

- 5.a. At the end of the school year, the School Nutrition Program Supervisor and the Finance Director will evaluate all delinquent debt for conversion to bad debt. Bad debt will be restored to the SNP from the general fund prior to the end of the same fiscal year.
- 5.b. Efforts to collect delinquent and/or bad debt will be handled by:
 - i. Send First and Second Letters
 - ii. Phone calls
 - iii. Notice of Adverse Action/potential collections
 - iv. Collection efforts may be enforced

VI. Collection procedures for Delinquent and Bad Debt- Adverse Action

- 6.a. When a household has reached a threshold of \$25 dollar amount, the debt has been carried over for more than one successive year, and all attempts to collect the debt in the delinquent phase have been exhausted to no avail, collection procedures will be initiated.
- 6.b. The household will receive a Notification/Notice of Adverse Action stating collection procedures have begun.
- 6.c. If payment is not received, the following may occur:
 - a) Student non-participation in extra-curricular activities
 - b) Collection procedures with the Mecklenburg County Court System

VII. Assistance to Households

Households with questions or needing assistance may contact the school office where their student attends or the School Nutrition Program office at: (434) 738-6111, 175 Mayfield Drive, Boydton, VA 23917, rmoore@mcpsweb.org

Regulations:

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