**Unpaid School Lunch Accounts Policy Booster**

Federal School Nutrition regulations require school districts (which they refer to as School Food Authorities, or SFAs) to have a written document explaining how the district will handle situations where children who are not eligible for Free Lunch (either eligible for reduced-price lunch or pay for their lunch entirely) do not have money in their lunch account or in hand to pay for their lunch at the time it is served.

The [federal memo](https://fns-prod.azureedge.net/sites/default/files/cn/SP46-2016os.pdf) explains its purpose and the choices available to local districts: “In developing a meal charge policy, FNS encourages adoption of policies that allow children to receive the nutrition they need to stay focused during the school day, minimize identification of children with insufficient funds to pay for school meals, and maintain the financial integrity of the nonprofit school food service account (NSFSA). However, the specific policy is at the discretion of the State agency or SFA, as applicable. Policies may 1) allow students to charge all types of available reimbursable meals, 2) offer alternate meals, 3) impose a limit on charges, or 4) allow neither meal charges nor offer alternate meals. Additionally, policies may be consistent for all students or vary based on student grade levels.”

These policies are not without controversy, with recent stories of those developed at the board table in the news, in some cases, with parents sharing objections about their punitive nature. Here are two recent examples in Iowa media, although a simple Google search will provide many more all over the country:

* <http://www.amestrib.com/news/20170603/parents-to-protest-ames-school-lunch-policy>
* <http://www.1380kcim.com/news/2017/audubon-community-school-district-adopts-policy-which-would-deny-students-meals-if-account-is-in-the-negative/>

The requirement is for a written policy, but not necessarily a school board policy. This can be a district procedure implemented by the district and school staff rather than by the board. In either case, the Iowa DE’s guidance states that the following must be included:

* Encourage buy-in by including stakeholders in the conversation. Share the policy with all staff, households, and public, to inform them of how the policy was developed and will be implemented, including the notification plan and any collection activities. Suggested methods of notification: notice be included on the district’s web site, in the student handbook, and in the notices that are provided to students and parents during registration, including an application for Free and Reduced Price Lunch, along with the policy description, in back-to-school packets mailed to families or sent home in backpacks, or including notice with reminders to restock the student’s online lunch account or with notices of balances due throughout the year.
* Be consistent with all students (although thresholds that trigger action or responses may be different at elementary, middle and high school levels.)
* Confidentiality: 1) ensure that meal eligibility status of a students is confidential, so processes do not divulge student meal status and 2) do not identify debtors by posting names or through the household notification process.
* Exemptions: students eligible for free lunch and students with enough cash to pay for the meal may not be denied a meal, regardless of an account balance owed to the school.
* This local policy/procedure must be provided to the state agency during the school lunch administrative review process.

Additionally, details of the district’s practice for collections of past-due accounts would provide additional information and urgency to stakeholders and parents.

DE suggests the following topics be considered in policy and procedure development:

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 that $ 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?

The DE memo also includes a list of considerations either if a meal will be provided or if the district intends to not provide a meal. Find those considerations on page 2 here: <https://www.educateiowa.gov/sites/files/ed/documents/DevelopingaMealChargePolicy.pdf>

**Additional Resources:**The DE guidance includes the following additional resources:

* USDA Memo: SP-46-2016 Unpaid Meal Charges: Local Meal Charge Policies: <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/unpaidmeal-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>

Contact margaret@iowaschoolfinance.com with questions.

***The “dot your I’s and cross your T’s” disclaimer:*** *This Policy Booster is not a substitute for legal advice, but rather, the impetus to get the local ball rolling. Check with your local school attorney and consider the impact this policy will have on other policies, handbooks, bargaining agreements, administrative procedures and forms in the district.*