

# Meal Charge Policies: Addressing Unpaid Balances

Many administrators understand the headache that accompanies managing a school district's meal charge policy, especially when it comes to unpaid meal balances. Unpaid meal balances not only affect a district's bottom line, but they put the district in the delicate position of trying to meet the needs of students, while also navigating particularly thorny regulatory requirements and public perception issues. New regulations, coupled with increased media scrutiny, make it imperative that school districts proactively address their unpaid meal charge policies.

A school district's meal charge policy must address two primary issues pertaining to unpaid meal balances :

1. How will the district serve students with unpaid balances?
2. How will the school's written policy be published?

## Serving Students with Unpaid Meal Balances

An array of strategies can be employed in crafting a policy to address unpaid balances. These policies range from refusing service to students with unpaid balances to effectively disregarding the unpaid balances and "wiping them clean" at the beginning of each year. The districts' financial condition and student demographics often play a role in influencing these policies. Some districts report that unpaid balances have negatively impacted food service for all students, not just those with unpaid balances.

1. This article focuses on issues related to unpaid meal balances. It does not cover meal charge policies, generally, including free and reduced lunch programs.
2. Remember, a district may prohibit a child certified for free meals from charging à la carte or "extra" items (e.g., a second milk or additional entrée) if the child's account is negative, but may not deny the child a reimbursable meal.



By: Ryan VanFleet

With the spectrum of policy approaches come practical concerns. Districts enacting policies to encourage payment have recently become the subject of negative media attention and public outcry for what some have labeled “lunch shaming.” Policies eliciting such criticism have included refusing to serve students with unpaid balances (including taking back food already served and throwing it in the trash), moving students to the end of the line, providing peanut butter and jelly sandwiches, marking students’ arms to notify their parents of the unpaid balance, and even requiring students to clean tables or engage in some other type of work to pay off their balance. Much of that media attention failed to convey the full circumstances—yet, the negative attention is a real obstacle to overcome.

We recommend:

- Districts employ a reasoned policy, which balances the district’s financial needs on the one hand with the students’ wellbeing on the other.
- Districts should also take special care to minimize identification of students with unpaid balances or insufficient funds. Such policies get characterized as embarrassing students, and have mixed results in resolving the delinquency with the parents or guardians.
- Districts should avoid overly harsh policies, such as refusing service entirely to those with unpaid balances. A compromise approach would be to serve an alternate meal to students with insufficient funds (e.g., peanut butter and jelly sandwich or other inexpensive option). This alternate food choice should also be offered and available to all students each day. This will reduce the likelihood that students with insufficient funds will be readily identifiable by other students.

Districts must also implement a communication plan for notifying students, their parents, and guardians about insufficient or negative account balances. Ideally, notices should be provided before the account is completely depleted or overdrawn, so that students and their parents/guardians have sufficient opportunity to supply funds for the account.

A variety of methods can be used for providing these notices, including telephone calls, emails, letters, or notice sent home with the child. However, in doing so, we recommend avoiding policies which overtly identify those students with unpaid balances. Additionally, at least one method of reliable communication to the parents or guardians should be used. For example, a notice sent home with the child is not reliable and should only be used in concert with one or more other reliable methods.



Finally, for students with repeated or significant issues with unpaid balances, districts should consider providing information regarding how to apply for free or reduced lunches. Although districts are required to provide this notice annually, as discussed below, it is advisable to provide that information again, any time a potential need is identified.

Although this article provides general policy recommendations for unpaid meal balances, other considerations may include:

- Will students with insufficient funds be permitted to charge meals to their account? If so, is there a limit in terms of either dollars or number of meals that can be charged?
- If a student is permitted to charge a meal, will they receive a regular meal or alternate meal?
- Can a student with a delinquent balance purchase a regular meal with cash?
- Are students required to pay for alternate meals? If so, can they be charged to the student's account?

Districts should carefully consider all of these issues and include them in the final, written policy. Setting clear procedures and expectations will prevent confusion amongst staff and help reduce future conflict with students and their parents or guardians.

### **Publishing a District's Meal Charge Policy**

Upon developing a clear meal charge policy, that policy should be provided to parents and students. As an initial matter, districts must ensure that their policy is consistent across all of its schools and buildings. All staff and student handbooks should accurately reflect the district's policy. Staff should be adequately trained, so that the policy is implemented uniformly at all schools and with all students.

The Food and Nutrition Service of the United States Department of Agriculture ("FNS") has issued new regulations, which come into effect this school year (2017-18). These new regulations require a district to establish a "written and clearly communicated" meal charge policy. At a minimum, the district must ensure that all students, parents, and/or guardians are provided with information regarding: (1) the availability of school lunch service; (2) how to apply for free or reduced priced meals; and (3) the availability of the school breakfast program.



**For questions regarding  
Meal Charge Policies:**



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The meal charge policy must be communicated in writing to all households at the start of each school year, and to households transferring to the school during the school year. While posting the policy online or sending it to families by email is helpful, it will not ensure the information reaches all households, particularly those households without access to a computer or the internet. Therefore, the district must have a method in place to ensure the policy is provided in writing to all households at the start of each school year and to households transferring to the school during the school year.

The FNS has recommended the following methods to ensure a district complies with the new requirements:

- Include a letter to households explaining the meal charge policy when sending “back-to-school” packets with student registration materials;
- Include the policy in the print versions of student handbooks, if provided to parents and guardians annually; and/or
- Include the written policy when using existing notification methods to inform families about applying for free or reduced price meals, such as distributing household applications at the start of the school year.
- In addition, the FNS also encourages school districts to redistribute the policy to a family the first time the policy is applied to a specific child, and to specifically mention the charge policy on reminder calls or in written notices of low or negative account balances.

Finally, FNS requires that the meal charge policy be provided in writing to all district staff responsible for policy enforcement. This includes school food service professionals responsible for collecting payment for meals at the point of service, staff involved in notifying families of low or negative balances, and staff involved in enforcing any other aspects of the meal charge policy.