

LPS Procedure for Meal Charges, Alternative Meals, Delinquent Debt

Purpose

United States Department of Agriculture (USDA) Food and Nutrition Services (FNS) has determined children and their families must be informed about how children who pay full-price (paid rate) or reduced-price for a reimbursable meal are impacted by having insufficient funds on hand or in their account to purchase a meal. There is no Federal regulation that require school districts to serve meals to a child who does not have sufficient funds to purchase one; however, LPS has developed a practice to address this issue, as we feel it is important to ensure we feed all kids, every day, in an equitable manner. Meal charge privileges are at the discretion of the district and evaluated on an annual basis.

Scope

The following policies are to be utilized when handling unpaid meal account balances, the collections of delinquent meal payments and uncollectable delinquent debt or bad debt. The standard practice is provided in writing to all households at the start of each school year and to households transferring to the school district during the school year by way of student handbooks/packets, the enrollment process and district website. All school and district-level staff members responsible for enforcement will receive a written copy of the standard practice by way of the annual Nutrition Services Administrative Guide.

UNPAID MEAL ACCOUNTS

Definitions

- Reimbursable Meal – Meals that are eligible for Federal Reimbursement.
- Charged Meal – Any reimbursable meal purchased that takes the account balance below \$0.00.
- Alternative Meal – A meal provided at no cost to students when funds are not available to cover the cost of the planned reimbursable meal.
- A la Carte – Single items offered in addition to or separate from the reimbursable meal such as: bottled beverages, milk, extra entrees, snack items, etc.
- NSFS – Nonprofit School Food Service Account

Charge Allowances - Grades PreK-5th

Charged meals are allowed up to a negative \$8.55 balance, the value of three lunch meals.

- Charged meals are directly charged to the student's meal account within the point of sale system.
- Students are not allowed to purchase a la carte items (bottled beverages, milk, extra entrees, snack items, etc.) when their account is in the negative, even with cash in hand.

Charge Allowances Grades 6th-8th

Charged meals are allowed up to a negative \$6.20 balance, the value of two lunch meals.

- Charged meals are directly charged to the student’s meal account within the point of sale system.
- Students are not allowed to purchase a la carte items (bottled beverages, milk, extra entrees, snack items, etc.) when their account is in the negative, even with cash in hand.

Charge Allowances Grades 9th-12th

Charged meals are allowed up to a negative \$3.10 balance, the value of one lunch meal.

- The charged meal is directly charged to the student’s meal account within the point of sale system.
- Students are not allowed to purchase a la carte items (bottled beverages, milk, extra entrees, snack items, etc.) when their account is in the negative, even with cash in hand.

Complimentary Meals

- Complimentary meals are recorded in the student’s meal account for grades K-8 within the point of sale system. If a complimentary meal is served, the household is notified. Parent/guardians are provided with the amount due and payment options, as well as meal benefit applications, if needed. Complimentary meals are not offered to grades 9-12.

Prevention and Communication of Low/Insufficient Funds

There are a number of measures in place for all schools to prevent students and families from experiencing negative meal account balances:

- Free & Reduced-price Meal Application- Families are encouraged to complete the application for meal benefits annually. The form may be accessed through the district’s website or printed copies are available at every school and from the Food & Nutrition Services Office located at 5776 South Crocker Street, Littleton, CO 80120.
- Carry Over Statuses – All students with a prior year “Free” or “Reduced” status keep their status for 30 school days into the new school year, allowing time to resubmit a new school year application.
- Verbal Reminders – Kitchen staff will offer discrete, verbal reminders a few days before the student account balance will run out.
- Low Balance Letters – Low balance letters are provided weekly to families of elementary students.
- Auto Calls- The point of sale software generates automatic calls to families with students whose account balances are less than \$0.00. These calls occur Sunday through Thursday until the account balance is increased above the designated amount.
 - Families can update their contact information through the parent portal in Infinite Campus.
 - Families can turn off notifications by contacting Nutrition Services.
- MySchoolBucks – Food and Nutrition Services offers an online system for families to check balances and make payments.
 - Low balance reminders can be set up within MySchoolBucks
 - Automatic Payments can be set up within MySchoolBucks

- Contact Your School – Families can contact the school kitchen directly to request to check their balance.
- Bring Payment – Students may purchase a reimbursable meal with cash or check at the time the meal is served. Families may send in funds (cash or check) to add money to the student’s meal account.
- Additional Action – If behavior patterns develop with students who consistently do not have money for meals, the Kitchen Manager should discuss this with the Principal, Counselor, student or family to determine the best solution for the student.

COLLECTIONS OF DELINQUENT MEAL PAYMENTS

Delinquent Debt – As defined by USDA, delinquent debt includes unpaid meal charges that are considered collectable, and efforts are being made to collect them. Delinquent debt, or a negative balance, remains on the accounting documents (accounts receivable) until it is either collected or is determined to be uncollectable and written off. LPS considers student accounts with negative balances to be in delinquent status.

- During the time a student has a negative balance or delinquent debt no a la carte purchases are allowed, even with cash in hand.
- Once the account balance is brought to zero (\$0.00) a la carte purchases may resume as long as they do not bring a students balance below zero (\$0.00).

UNCOLLECTABLE DELINQUENT DEBT OR BAD DEBT

Bad Debt – Delinquent debts which have been determined to be uncollectable will be reclassified as “bad debt”. LPS considers student accounts with uncollectable delinquent balances to be “bad debt” when collection efforts have been unsuccessful for twelve (12) months after a student leaves the district or graduates. Repayment of “bad debt” is an unallowable expense for the NSFS per USDA memorandum SP 47- 2016; therefore, payment for this bad debt balance must come from other sources such as:

- Other non-federal sources
- The district’s general fund
- Special funding from state or local governments
- Donations

DONATIONS

Regardless of their source, monies received through FNS as donations to pay off negative meal balances will be deposited into a district account set up specifically for meal account donations. Donations will be distributed to student accounts district-wide on a quarterly basis to ensure equity for all families and schools.