



WALLED LAKE CONSOLIDATED SCHOOL DISTRICT

Food Service Department

"Working together to nourish the minds and bodies of our future"

MEAL CHARGING AND BAD DEBT POLICY

The purpose of having a meal charging policy is to establish consistent clear meal account procedures throughout the district. There is a fine line between considering the fiscal integrity of the district and the solvency of the food service program while also meeting the nutritional needs of students.

GOALS:

- To ensure that students have a healthy meal and that no child goes hungry.
- To treat all students with dignity and confidentiality in the serving line.
- To foster clear positive communication among staff, administrators, teachers, students and parent/guardian.
- To establish fair practices that can be used consistently throughout the district regarding meal charges and the collection of charges.
- To encourage parent/guardian to assume the responsibility of meal payments and to promote self-responsibility of their child/student.

SCOPE OF RESPONSIBILITY:

The Food Service Department:

Responsible for maintaining meal account records.

Responsible for notifying the student's parent/guardian with phone calls, emails or written documentation after credit limit has been reached. Responsible for working with households toward a reasonable resolution.

The Parent/Guardian:

Responsible for immediate payment.

MEAL ACCOUNTS:

We strongly discourage meal charges, but understand that it occasionally happens. Meal charges are a temporary solution and are not intended to address broader issues of a parent/guardian's inability to pay for a meal for his/her child. In those instances, an application for Free or Reduced Meal Benefits should be completed. Free and Reduced Meal Applications are available through family access in skyward, cafeteria, the school office, and on the district website.

Parents/guardians are encouraged to make meal payments in advance. Personal checks and cash deposits are accepted at the student's home school. For convenience, deposits may also be made by credit/debit card after setting up an account for the student on <http://wlcsd.org/parents/family-access/>. The District uses Skyward computerized meal credit system to account for student meals and ala carte sales. All students have personal accounts regardless of paying status (free, reduced or full pay). Similar to a bank account, each student has a school ID number which stays with them for their duration in Walled Lake Consolidated Schools.

When using the Family Access / e-funds system, parents/guardians can access cafeteria purchases and account balances at anytime. Lunchroom cashiers will verbally notify students at the register when their meal account balance is low, specifically when it reaches the value of two equivalent lunches or less.

MEAL CHARGING POLICY:

Although not required by law through the National School Lunch Act or the Healthy Hunger Free Kids Act, limited meal charging will be allowed, as a courtesy to families, under the following conditions:

ELEMENTARY SCHOOL STUDENTS:

- Only reimbursable meals may be charged. No ala carte or milk purchases may be charged.
- Students may charge any combination of meals (breakfast and lunch) up to a total of four meals.
- When a student charges a meal, their meal account balance becomes a negative balance.
- Students will be notified verbally at the register or written document when their balance is low, specifically the dollar value of two lunches or lower and/or when they are in arrears.
- Repayment is expected for all charged meals and/or meal substitutes.
- After the fourth occurrence, students will be provided with a light lunch for free (two cheese sticks, fruit and/or vegetables, a graham cracker packet and milk for lunch and a graham cracker packet, fruit or vegetables and milk for breakfast).
- No charging will be permitted 2 weeks prior to the end of the school year.
- All unpaid charges will be added to the list of any outstanding fees or unpaid fines at the end of the school year. Payment must be made in full to the Food Service Department.

MIDDLE SCHOOL STUDENTS:

- Only reimbursable meals may be charged. No ala carte or milk purchases may be charged.
- Students may charge any combination of meals (breakfast and lunch) up to two meals.
- Students will be notified verbally at the register when their balance is low, specifically the dollar value of two lunches or lower and/or when they are in arrears.
- When a student charges a meal, their meal account balance becomes a negative balance.
- Repayment is expected for all charged meals and/or meal substitutes.
- After the second occurrence, students will be provided with a light lunch for free (two cheese sticks, fruit and/or vegetables, a graham cracker packet and milk for lunch and a graham cracker packet, fruit or vegetables and milk for breakfast).
- No charging will be permitted 2 weeks prior to the end of the school year.
- All unpaid charges will be added to the list of any outstanding fees or unpaid fines at the end of the school year. Payment must be made in full to the Food Service Department.

HIGH SCHOOL STUDENTS:

- There is no charging permitted. If a student doesn't have money in hand or on their account, they will be provided with a light lunch for free (two cheese sticks, fruit and/or vegetables, a graham cracker packet and milk for lunch and a graham cracker packet, fruit or vegetables and milk for breakfast).
- Students will be notified verbally at the register when their account balance is low, specifically the dollar value of two lunches or lower.
- All unpaid charges will be added to the list of any outstanding fees or unpaid fines at the end of the school year. Payment must be made in full to the Food Service Department

Meal Account Balance Payment for school meals is expected at the time of purchase. Parents are expected to regularly monitor their child's meal account balance online, in Skyward Family Access.

Positive Balances

Any unpaid meal charges or money remaining in a student's meal account balance will be carried over, one time, to the next consecutive school year. The School District will refund balances in excess of \$5.00. The District does not refund balances of \$5.00 or less due to the administrative costs associated with creating a refund.

UNCOLLECTABLE/DELINQUENT DEBT

Uncollectable/delinquent debt are meal charges that have not been paid by the student or parent(s) during the school year. Any related collection costs and related legal costs arising due to the collection of those meal charges throughout that current year are an allowable cost in the nonprofit school food service account (NSFSA). The School District expects all delinquent debts will be paid in full on the last

day the student will be in attendance for the relevant school year. Before uncollectable/delinquent debt can be reclassified as bad debt, the Food Service Department must make reasonable efforts to collect on the debt and keep detailed records showing the efforts made, as follows:

- Once a student's meal account balance is \$6.00, the Food Service Department will contact the household by email and/or by telephone to request payment. The Food Service Department will also inform the parent of the School District's reduced-price and full-price meal program.

Notification and Collection

Low Account Balances. The School District will notify the student's household, by email and/or, by telephone, when a student's meal account balance is \$6.00 and below. The notification will include the current account balance. The District may choose to use the following sample email and/or robo call:

Hello [parent/guardian]. This is [name]. I am the [position/title] at Walled Lake Consolidated Schools. I am calling to let you know that [student] has a low balance of \$[X] in their school meal payment account. To ensure your child has enough money to purchase school meals, please add funds to their account as soon as possible. You may do so by going to Skyward Family Access and using a debit or credit card. If you have any questions, please call us at (248) 956-3060. Thank you.

District personnel shall keep records of all such phone calls or emails sent which will include the date and time of the phone call or email, and the telephone number or email address used.

Negative Account Balances. Students eligible for reduced-price or full-price meal who have money to pay for a meal at the time of service shall be provided a reimbursable meal, even if they have incurred a negative account balance. The School District will not use funds students have in-hand to repay a negative balance or other unpaid meal charge debts.

BAD DEBT POLICY

Bad Debt is uncollectable/delinquent debt that has been determined to be uncollectable by the end of the school year in which the debt was incurred. If the uncollectable/delinquent debt cannot be recovered by the School Meals Program in the year when the debt was incurred, then this is classified as bad debt. Once classified as bad debt, non-Federal funding sources must reimburse the NSFSA for the total amount of the bad debt. The funds may come from the district general fund, state or local funding, school or community organizations such as the PTA, or any other non-federal source. Once the uncollectable/delinquent debt charges are converted to bad debt, records relating to those charges must be maintained in accordance with the record retention requirements in 7 CFR §210.9(b) (17) and 7 CFR §210.15(b).

Under the Office of Management & Budget Uniform Guidance for Grants, per 2 CFR §200.426, bad debt (debts which have been determined to be uncollectable), including losses (whether actual or estimated)

arising from uncollectable accounts and other claims, are unallowable. Related collection costs, and related legal costs, arising from such debts after they have been determined to be uncollectable are also unallowable.

Bad Debt that is uncollectable/delinquent will not be collected by food service in the collection efforts and will be zeroed out accordingly for each respective student in the district's Point of Sale system to accurately reflect the year end closing adjustments to the NSFSA. Any Bad Debt will be collected by the finance department at the District level. If a student or parent(s) incurs a large debt, then later applies for free lunch and is approved, meals cannot be withheld from free eligible students as a means of collecting bad debt. Any unpaid bad debts will carry over to the following school year by the general fund account. Once the bad debt is paid, the monies will be returned to general fund or non-Federal sources.