**(*Insert School Food Authority Name*) Meal Charge Administrative Procedure (Sample)**

**Effective Date:** *(Insert date)*

As provided in SP 46-2016, all school food authorities (SFAs) operating the federal school meal programs (National School Lunch Program and/or School Breakfast Program) must have a written and clearly communicated meal charge administrative procedure in place no later than July 1, 2017. All SFAs must have an administrative procedure in place for children participating at the reduced price or paid meal rate who either do not have money in their account or in hand to cover the cost of the meal at the time of service. SFAs are required to communicate this administrative procedure to families and school and/or district-level staff members as appropriate. SFAs should ensure the administrative procedure is communicated on an annual basis.

Families will have access to the meal charge administrative procedure via *(Insert how the administrative procedure is communicated; e.g., “a written copy of the district-wide charge administrative procedure included in student handbooks given to each student at the start of each school year”).* Families of transfer students (during the year) will receive a written copy of the district-wide charge administrative procedure *(Insert how the administrative procedure is communicated).*

**Local Charge Administrative Procedure Considerations**

**General**

Students who are unable to pay for their meals at the time of the meal service are allowed to charge (*check all that apply*):

* Breakfast
* Lunch

Students charging breakfast and/or lunch will receive reimbursable meals.

**Charge limits**

The number of charges allowed for (*insert specific grades or all students*) is (*insert the number of charges allowed*) **OR** (*insert the dollar value limit)*. Once the student reaches the allowable (*insert number of charges)* **OR** *(insert dollar amount of charges*), an (*insert alternate meal*) will be given to the student **OR** (*the student will not receive a meal)*.

*Note: If the administrative procedure varies for different grades and/or schools, list and explain all options for each grade and/or school. The administrative procedure may vary for elementary, middle, and high schools.*

**Alternate meals**

*If the district is offering an alternate meal, either reimbursable or non-reimbursable, insert the following information below. If there are different alternate meals and/or pricing for different grades/schools, list separately.*

Alternate meals will be provided immediately in (*lieu of charging)* **OR** (*after the child’s negative balance dips)* to *(insert amount)*. Alternate meals will be providedfor *(insert duration or conditional criteria)*.

The alternate meal will include the following:

Breakfast: *(insert general description; e.g., cereal and milk)*

Lunch: *(insert general description; e.g., sandwich, fruit, and milk)*

Students will be required to pay for alternate meals at the rates listed below:

Breakfast: $*(insert amount)*

Lunch: $*(insert amount)*

**Household Notification**

Low balance notification: *(Insert how the SFA will notify households of low balances, including the frequency and method: e.g., “the SFA will notify households monthly of low balances below* ***X*** *via email to the parents or by sending printed notifications home with the students weekly”)*.

Negative balance notification: *(Insert how the SFA will notify households of negative balances, including the frequency, method, and expected payment dates: e.g., “the SFA will notify households weekly of negative balances by sending printed notifications home with the students”)*.

**Delinquent Debt**

Delinquent debt is defined as overdue unpaid meal charges that are considered collectable, with efforts being made to collect them. The debt may remain on the accounting documents until it is either collected or determined to be uncollectable. The debt may be carried over at the end of the school year (beyond June 30).

The household’s debt will be delinquent for (*insert the number of days*) before the SFA requests payment. (*Insert the consequences for families that fail to repay a debt. Define a reasonable timeframe when the debt is considered delinquent; how the delinquent meal charges will be managed; describe collection procedures; which office or personnel will be responsible for initiating and managing the charge collections; and include contact information*).

**Repayment plans**

Each household may request a repayment plan that will include payment levels and due dates appropriate to a household’s particular circumstances. Please contact *(insert contact name, phone, and email)* for establishing a repayment plan.

**Bad Debt**

Bad debt is determined to be uncollectable, with further collection efforts for delinquent debt deemed useless or too costly. Delinquent debt will be considered as bad debt after *(insert reasonable timeframe)*.

* Bad debts (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 (section 200.426 of subpart E).
* Bad debt must be written off as an operating loss by (*insert a reasonable timeframe*); the nonprofit school food service account (NSFSA) resources may not be used to cover the costs related to the bad debt. *(Insert how the funds will be obtained to restore the unallowable bad debt to the NSFSA. These funds may come from the school district’s general fund, school or community organizations, or any other non-federal source)*.
* Once delinquent meal charges are converted to bad debt, records relating to those charges must be maintained in accordance with record retention requirements in 7 CFR 210.9(b)(17) and 7 CFR 210.15(b).

**Additional Resources**

Families may find assistance with applying for free or reduced price schools meals by contacting *(insert SFA or school official name, phone, email)*.

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*To file a program complaint of discrimination, complete the* [*USDA Program Discrimination*](http://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf)[*Complaint Form*](http://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf)*, (AD-3027) found online at:*

[*http://www.ascr.usda.gov/complaint\_filing\_cust.html*](http://www.ascr.usda.gov/complaint_filing_cust.html)*, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:*

1. *mail: U.S. Department of Agriculture*

*Office of the Assistant Secretary for Civil Rights*

*1400 Independence Avenue, SW*

 *Washington, D.C. 20250-9410;*

1. *fax: (202) 690-7442; or*
2. *email:* *program.intake@usda.gov*

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