



January 14, 2015

Ms. Jessica Saracino
Program Analyst, School Programs Branch
Child Nutrition Programs
Food and Nutrition Service
PO Box 66740
St. Louis, MO 63166-6740

Dear Ms. Saracino:

On behalf of the 55,000 members of the School Nutrition Association (SNA), we are pleased to submit the following comments to the *Request for Information: Unpaid Meal Charges* as published in the October 16, 2014 issue of the *Federal Register*. SNA solicited feedback and information from its members and the comments below reflect the results. In our comments, we have followed the same format as the Request for Information and will provide the answers to the 17 questions on how Local Education Authorities (LEAs) currently address unpaid meal charges in their schools.

SNA urges USDA to proceed carefully when, or if, it develops a national policy on this issue. As you will see the responses are as diverse as the country itself.

1. Does your school district have a written policy on meal charges and/or when alternate meals may be provided?

All members who submitted comments stated they have some sort of meal charge policy or guidance in place. However, a few noted that it is not formally written or Board of Education approved. SNA members and LEAs believe it is critical that employees, students, and parents are aware of how meal charges will be handled in the school cafeterias.

2. Which officials are responsible for developing the policies (e.g. school district business officials, the school food service director, school principals, etc.)?

All the plans were developed primarily by the foodservice director and with serious input from school business officials, such as the treasurer and/or business manager, and the superintendent. A few of the respondents indicated that policies can differ between schools even within the same school district.

3. Are there any grade level differences; for example, are only children below high school allowed to charge meals?

The responses from SNA members were evenly split on grade level differences in policy implementation. The split usually fell between policies for elementary/middle school students and high schools students. How a policy pertained to those grade levels varied, as some LEAs did not allow high school students to charge meals, while others allowed them fewer charges than elementary students. For those LEAs with no grade level differences, the policy to allow or not to allow charging was consistently implemented throughout the district.

- 4. May children who do have their payment or who have outstanding charges/unpaid balance select any reimbursable meal or are children offered alternate meals in lieu of the selection of reimbursable meals? If alternate meals are offered, what types of foods are offered in alternate meals?**

The vast majority of the respondents offered an alternate meal to students with outstanding charges, which is usually a sandwich (peanut butter or cheese) and a beverage (water or milk).

- 5. Are reimbursable alternate meals available? If so, at what eligibility rate is your school district claiming these meals?**

A few of the respondents provide a reimbursable meal to students, but only one indicated they only provide it for a certain number of meals before reverting to the standard sandwich and beverage option.

- 6. Does your school's unpaid meal charge policy include a modified approach for handling students based on the duration of unpaid meal status, and if so, how?**

Roughly half of the respondents do have some approach in place which usually includes weekly calls or emails to the parents/guardians requesting payment. Those with a policy usually will only provide the alternate meal until the balance is paid in full. One school works with the school social workers for repeat offenders. SNA has heard anecdotal evidence that some LEAs have used debt collection agencies, but none of the respondents for this request for information indicated they currently use one.

- 7. Are there any consequences outside the meal service for students who do not have their meal payment for the day (e.g. the student may not participate in extracurricular activities or report cards are not released, etc.)?**

A few respondents withhold high school diplomas for having unpaid meal charges. The remaining stated there are no consequences outside of meal service.

- 8. How does the school ensure the children's eligibility status does not become apparent to other children or school staff as result of the school's implementation of the credit procedures?**

All respondents use a Point of Service for the cafeteria lines, so students (and often the cashiers) are unable to tell the status of an individual student. Other respondents stated that it can become obvious that a student's account is in arrears when they are provided an alternate meal.

- 9. Does a child's unpaid meal status become apparent to other children or school staff? If so, how? Are there measures you take to minimize the chances these children are identified and what do you find to be the most (or least) effective strategies?**

Only one school has the cashiers in the high school inform the student they are running a low balance. Others inform students via letters either sent home or via their teachers, indicating that teachers or school officials would have access to this information. Most stated they do their best to keep the information on a "need to know" basis.

- 10. Is any financial support to the school food service from the school district provided to offset costs related to the meal charges policy?**

A few LEAs do clear outstanding accounts at the end of the year or maintain an account (an "angel fund") to assist if needed. The remaining LEAs do not provide financial assistance to the school food service budget to offset the losses from unpaid meal charges. While only a few respondents indicated a total, those who did said the losses average in the thousands of dollars.

- 11. How are parents informed of the policies about charging meals, limits on charges, low account balances, outstanding balances, and methods of payment?**

All LEAS provide the information in the yearly handbook to students and on the schools' websites. Once there is a low balance, the information generally shifts to weekly emails or phone calls until/if the accounts are settled.

- 12. Have outstanding debts increased or decreased in your school district over the last 3 school years?**

A few LEAs had accounts stay the same, three saw a decrease due to the implementation of new policies, and the rest have seen an increase. Some respondents noted that the debt has "dramatically" increased in the last year or two. Of the LEAs that saw their accounts stay the same, one is now utilizing the Community Eligibility Program.

- 13. What steps does your school district provide to assist families with meal charges to apply for free or reduced price meals?**

All respondents send applications to parents/guardians at the beginning of the year and provide phone calls to remind parents.

- 14. Are children with outstanding debts mostly those:**

- a. Eligible for reduced price meals
- b. Potentially eligible for free or reduced price but who have not applied or been certified or
- c. Who applied but were not eligible?

Every respondent said that there is no one category that fits the majority of outstanding debts. The respondents consistently stated that while it can often be the paid students whose parents

do not keep track, there are also many students whose parents might qualify but simply do not fill out the paperwork because they know they can charge their child's meal(s).

15. How do outstanding meal payments affect the ability of food service to meet the meal pattern requirements?

When SFAs provide reimbursable meals or alternate meals to students with no money or outstanding charges, school nutrition budgets and operations are negatively impacted. The budget is affected because money has to be used to cover the unfunded costs instead of purchasing a greater variety of food or new equipment, providing training, etc. Operations are impacted because staff resources have to be diverted to collecting unpaid meal charges instead of focusing on feeding students.

16. Does your school district have a la carte sales? If so, are children allowed to charge these items and how is repayment of any charges handled?

No schools allow students to charge a la carte items if they have an unpaid meal balance. One respondent noted that a student cannot even pay with cash for a snack item if they have a negative balance.

17. If your school district does not have a meal charge policy, how does that affect children who do not have their meal payment for the day?

This was not applicable to any of the respondents.

In addition to the information provided, SNA would encourage USDA to consider adding language to the Eligibility Manual that LEAs are supposed to send yearly to all households, regardless of their qualifying status, information on their charging policy. We also request guidance on the difference between "unpaid meal charge" and "bad debt." As child nutrition programs are not allowed to cover bad debts, it would be beneficial to all LEAs to have clarification on what constitutes the change from one to the other.

Again, thank you for the opportunity to provide information on this critical issue for SNA members. We hope the information provided will assist USDA in providing guidance or best practices for school food authorities and local education agencies on how to effectively and compassionately manage this issue.

Sincerely,



Julia Bauscher, SNS
President



Patricia Montague, CAE
Chief Executive Officer