

## Purpose

The goal of Ivy Preparatory Academy Nutrition Program is to provide all scholars with healthy meals each day. However, unpaid charges place a large financial burden on our food service department. The purpose of this policy is to insure compliance with federal reporting requirements for the USDA Child Nutrition Program, and to provide oversight and accountability for the collection of outstanding student meal balances.

The intention of this policy is to establish uniform meal account procedures. This policy pertains to regular priced school breakfast and lunch meals and reduced priced breakfast and lunch meals only. This policy follows state and federal regulations and guidelines.

**Full Pay Scholars:** Elementary and Middle School scholars will pay for meals at the school level standard rate each day. A scholar will be allowed to charge a maximum of three (3) meals to their account or Twelve dollars (\$12), which ever charge(s) is reached first. Once a scholar has charged the three (3) meals or Twelve dollars (\$12) the scholar will not be allowed to charge a la carte item, however the scholar will be offered a designated menu alternate. Ex: Cheese sandwich, veggie sticks or whole fruit and milk.

**Reduced Meal Benefit:** Elementary and Middle School scholars will be allowed to receive breakfast at \$0.30 and lunch for \$0.40 each day. A scholar will be allowed to charge a maximum of six (6) meals to their account. Once the scholar reaches the allowed charges, the scholar will not be allowed to charge a la carte item, however the scholar will be offered a designated menu alternate. Ex: Cheese sandwich, veggie sticks or whole fruit and milk.

**Parent(s)/Guardians** will be responsible for meal payment to the food service program. Notices of low or deficit balances will be sent to parent(s)/guardians at regular intervals during the school year.

**Refunds for withdrawn scholars:** A written request for refund of any money remaining in their account must be submitted. An e-mail request is also acceptable.

**Unclaimed funds:** Must be requested within one (1) school year. Unclaimed funds will then become the property of Ivy Preparatory Academy Food Service Program.

## Balances Owed and Collection of Owed Balances

If a scholar is without meal money on a consistent basis, the SFA will notify the head administration and the administration will investigate the situation more closely and take further action as needed. If a financial hardship exists, parents and families are encouraged to apply for free or reduced priced lunches for their child. Collection procedures and procurement or prior year balances should start within 10 days from deadline of processing applications for current school year.

### **Date of Debt**

The SFA will be afforded 90 days to collect the debt and receive payment for the unpaid meal charges. The 90 days will begin at the end of the claiming period for the month charges for the debt incurred. At the end of 90 days, the unpaid meal charges will be deemed as bad debt and a nonfederal funding source must repay.

Ex: If Sally charged meals in the month of May, claiming period for May is June 13<sup>th</sup>. On June 14<sup>th</sup> the 90-day effort to collect debt owed will begin.

### **Repayment Plan**

The SFA enters into a repayment plan with the household prior to the end of the fiscal year and it continues into the next fiscal year if the Parent(s)/Guardian notifies the SFA that they are willing to make monthly payments and agrees to set up a six month payment plan in an effort to pay off the students unpaid meal charge balance.

### **Notifying the Household of Low or Negative Balance in Scholar Cafeteria Account**

1. The scholar's household will be notified when a scholars' account debt is \$30 or more via letter mail service as 1<sup>st</sup> attempt. (Allow 10 business days for response to clear debt owed or contact if hardship)
2. The SFA will notify household of negative balances via letter to the household sent home with the student as 2<sup>nd</sup> attempt. (Allow 10 business days for response to clear debt owed or contact if hardship)
3. The SFA will notify household of negative balances via e-mail method and phone call as 3<sup>rd</sup> attempt. (Allow 10 business days for response to clear debt owed or contact if hardship)

Notifications to households will include the amount of unpaid meal charges, the consequences of non-payment and where to go for questions or assistance.

\*The consequences of non-payment will be determined on a case by case basis.

4. If no resolution is met within 90 days SFA will notify Academy Leader for the particular grade. The Academy Leader will attempt to make contact. If not resolution, a Notice of Adverse Action/potential collections will be mailed out to household. (Allow 14 business days for response to attempt to clear debt owed or contact if hardship)
5. The Academy Leader will then notify SFA to suspend all meals until a resolution to the situation has been met. (Case by case bases)

## **Bad Debt Record Keeping**

1. Evidence of efforts to collect unpaid meal charges
2. Evidence that the collection efforts fell between the timeframe and methods established by the school meal charge policy and collection procedures.
3. Financial documents showing when the unpaid meal charge(s) became an operating loss.
4. Documentation showing when the repayment plan was agreed to by all parties
5. Evidence that any funds written off as bad debt were restored using non federal funding sources.

Effective Date: 11/19/19

Last Revised: 11/19/19