

FOOD SERVICE ACCOUNTS POLICY

1. Purpose:

The purpose of this policy is to establish consistent meal account procedures through the district. Unpaid meal charges place a financial burden on the food service department which results in a financial strain on the general operating budget. The goals of this policy are:

- To establish a consistent district policy regarding charges and collection of charges.
- To treat all students equitably and with dignity in the serving line regardless of meal account status.
- To support positive interactions between district staff, students, and parent/guardians to the maximum extent possible.
- To encourage parent/guardians to assume the responsibility of meal payments and to promote self-responsibility of the student.

2. Scope of Responsibility:

The Food Service Department: Maintaining charge records and notifying the school district of outstanding balances. Notifying the student's parent/guardians of low or outstanding balances.

The School District: Ensuring that all students have access to a meal each and every day, creating a line of communication between families and the food service department, and supporting the food service department in collection activities.

The Parent/Guardian: Payment of charged meals.

3. Administration:

The administration of the district food services program shall endeavor to provide affordable and nutritious meals to students in a manner that is both fiscally and socially responsible. As such, the following shall govern the use of program charge accounts:

- A. All students (paid, free, or reduced), and staff will be allowed to have a negative account balance up to a maximum of twenty dollars (\$20.00) which will be known as the account cap.
- B. When a child reaches the account cap they will be provided a reimbursable meal that will be charged to the child's lunch account at the regular lunch rate. Parents/Guardians are responsible for payment of these meals to the food service department.
- C. When a staff member reaches the account cap they will not be allowed to make food purchases until such time as their account no longer has a negative balance.
- D. The purchase of additional "a la carte" food items or additional meals will not be allowed for students with a negative account balance.
- E. Individuals who are neither students nor staff are expected to pay in advance for any food purchases.

In all cases, the Food Services Director shall have discretion to serve student meals in excess of the above in so much as meals continue to be charged and reported in accordance with district and DESE policies. Such accounts that extend beyond the limits above shall be reported to the School Principal who will work with the Director of Finance & Operations as necessary to reach a solution or provide a recommendation to the School Committee.

In no case should a Food Services Account not be charged for meals and the sole discretion to “write off” balances shall lie with the School Committee as recommended by the Principal and Director of Finance & Operations in collaboration with the Food Services Director.

4. Bad Debt & Chargeoffs:

Pursuant to OMB Cost Principles for State, Local, and Indian Tribal Governments Regulation 2 Part 225 Item 5*, the MA Department of Elementary and Secondary Education has issued policy related to bad debt. This policy requires that “all school food authorities within the Commonwealth must resolve bad debt at the end of each school year by offsetting bad debt costs incurred by food service operations from sources outside the non-profit school food service account.

While the school and food service program may continue to pursue these debts, it is incumbent upon the school district to resolve the food services program of its fiscal liability for such at the end of each fiscal year. Regardless of any account resolution, it shall be the practice of the food services program to pursue bad debts in any or all of the following manners:

1. Continued correspondence – letters and calls to parents/guardians.
2. School contingencies – activities and events participation.
3. Collaborative efforts with related organizations such as matriculating districts and regions.
4. Use of collections agencies to recover funds where economically feasible to do so.

As indicated above, only the School Committee shall have the authority to fully write off food services account balances presuming the program liability has been fully resolved using local funds. Otherwise, all account collections efforts shall remain in full force and effect.

Reviewed by New Salem/Wendell Policy Committee: 12-03-15

New Salem/Wendell School Committee: First Reading – 01-07-16

Second Reading, First Vote: 02-04-16

Final Vote: 04-07-16