

Local Meal Charge Policies

All children attending schools participating in the NSLP and SBP may receive reimbursable school meals. [7 CFR 245.5](#) states parents or guardians of children in attendance at schools participating in the school meal programs must be informed of the availability of reimbursable school meals and must be provided information about applying for free or reduced price meals. This is consistent with the Richard B. Russell National School Lunch Act (NSLA), which states SFAs shall publicly announce the income eligibility guidelines for free and reduced price meals on or before the opening of school annually ([42 U.S.C. 1758\(b\)\(2\)\(A\)](#)). In addition, [7 CFR 210.12](#) requires SFAs to promote activities to involve families in the school meal programs (i.e. menu planning) and inform families about the availability of the SBP and the Summer Food Service Program (SFSP).

Based on these provisions, and consistent with current practice at many schools, FNS has determined children and their families also must be informed about how children who pay the full-price (paid rate) or reduced price for a reimbursable meal are impacted by having insufficient funds on hand or in their account to purchase a meal.

Therefore, no later than July 1, 2017, all SFAs operating NSLP and/or SBP must have in place a written policy to address

situations where children participating at the reduced price or paid rate do not have money to cover the cost of a meal at the time of the meal service. The policy must be clearly communicated to families and all school or district-level staff members responsible for policy enforcement. More information about communication methods may be found in [Policy Communications](#).

On July 8, 2016, FNS issued [SP 46-2016: Unpaid Meal Charges: Local Meal Charge Policies](#) to provide an overview of the policy requirement. As stated in the memorandum, State agencies and SFAs have discretion in developing the specifics of individual policies, including the level (State or SFA-level) of the policy's development. Policies developed at the SFA-level must be provided to the State agency during the Administrative Review. SFAs must also maintain documentation of the methods used to communicate the policy to households and school or SFA-level staff responsible for policy enforcement. If a State-level policy is implemented, the SFA must maintain records to demonstrate how the policy was implemented and communicated to households by the SFA.

Meal Charge Policy Requirements

While State agencies and SFAs have discretion in developing their policies, they must meet certain requirements. Children who qualify for free meals may never be denied a meal, even if they have accrued a negative balance from other purchases in the cafeteria. SFAs may prohibit a child from charging à la carte or “extra” items (e.g., a second milk or additional entrée) if the child’s account is negative, but may not deny the child a reimbursable meal. To prevent the overt identification of children eligible for free meals, SFAs may consider adopting a charge policy that prohibits the charging of à la carte or extra items by any child with a negative balance, regardless of the child’s eligibility status.

Meal Charge Policy Considerations

As mentioned, State agencies and SFAs have discretion in developing the specifics of individual meal charges policies. Some State agencies may choose to develop a State-level policy to be implemented by all SFAs throughout the State. If the State agency does not develop a State-level policy, SFAs must develop and implement an SFA-level policy. In developing an unpaid meal charge policy, FNS encourages the adoption of policies that allow children to receive the nutrition they need to stay focused during the school day, minimize identification of children with insufficient funds to pay for school meals, and maintain the financial integrity of the nonprofit school food service account (NSFSA).

However, State agencies and SFAs, as applicable, have discretion in developing their specific policy. Policies may allow children to:

- Charge all available reimbursable meals,
- Charge a limited number or type of meals,
- Receive an alternate meals, or
- Neither charge a meal nor receive an alternate meal.

Additionally, policies may apply consistently for all age/grade groups or vary based on student age/grade groups. A checklist of the encouraged unpaid meal charge policy components is included in [Appendix B: Meal Charge Policy Checklists](#).

SFAs are not required to provide alternate meals to children with unpaid meal charges. Some SFAs, however, choose to provide alternate meals. If a meal is offered to one child in this situation, it should be offered to all children. SFAs opting to provide alternate meals are encouraged to explain in their meal charge policy the meal service(s) during which alternate meals are offered, the duration of the provision of alternate meals (e.g., no more than 10 per school year), if children must pay for alternate meals, and if so, whether the cost of the alternate meal is added to the child’s delinquent account. For more suggestions, please see [Alternate Meal Policy](#).

Policy Communications

Clearly communicating meal charge policies prevents confusion for families and promotes effective financial management of the school meal programs. Whether developed at the State or SFA level, SFAs must ensure the policy is provided in writing to all families at the start of each school year and to families transferring to the school mid-year. SFAs are encouraged to use multiple methods to disseminate the policy on an ongoing basis throughout the school year. For example, SFAs may:

- Include a letter to households explaining the meal charge policy when sending out “back-to-school” packets with student registration materials;
- Post the policy on school or district websites;
- Include the policy in print versions of student handbooks if provided to families annually;
- Share the policy with the family the first time the policy is applied to a specific child;
- Mention the charge policy on reminder calls and include the policy in written notices of low or negative account balances; and
- Include the written policy when using existing notification methods to inform households about applying for free or reduced price meals, such as distributing household applications at the start of the school year.

SFAs also must provide the unpaid meal charge policy to all school or district-level staff responsible for policy enforcement. This includes school food service professionals responsible for collecting payment for meals at the point of service, staff involved in notifying families of low or negative balances, and staff involved in enforcing any other aspects of the policy. School social workers, school nurses, liaisons for homeless, migrant, and/or runaway students, and other staff members assisting children in need also should be informed of the policy. FNS encourages SFAs to involve principals, vice principals, and other administrators to ensure they are supportive of the policy.

As with all aspects of school meal program operations, food service management companies (FSMCs) must operate in compliance with meal charge policies established by the State agency or SFA. The FSMC must be informed of their role with regard to implementation of the unpaid meal charge policy. If applicable, consideration must be given to alternate meals and how they will be billed.