## RICHTON SCHOOL DISTRICT CAFETERIA CHARGE POLICY

USDA Federal Management Circular 796.1 (RV.2) list bad debts as non-allowable expenditures of federal funds, therefore losses on meals charged and /or NSF checks cannot be paid out of Child Nutrition funds. To assure compliance with Federal Management Circular 796-1 (RV.2) annually a transaction should be made for uncollectable charges or insufficient fund checks by general funds to record reimbursement for all said bad debt.

USDA federal regulations state that all meal payments are to be made at the point of service. The State Agency's position is that Child Nutrition Program funds cannot be used for program purposes to resolve bad debt as noted by USDA, FNS Instruction 796-1 Rev. 2.

- 1. All full paying and reduced priced students in grades K-8 will be allowed to charge reimbursable lunch meals not to exceed \$20.00.
- 2. All full paying and reduced priced students in grade 9-12 will be allowed to charge reimbursable lunch meals not to exceed \$20.00
- The excessive allowable amount of \$20.00 for lunch meals charged on the same day or on separate points of service.
  - a. Charge notices will be sent home two (2) times a month with students in an effort to notify the parent of outstanding charges from the moment a student receives his/her first charge.
  - b. Parents will be called for any student who reaches a \$15.00 charges owed.
  - c. Once the charge limit is exceeded, parents will be informed, by phone, from Child Nutrition administrative staff, to send a meal from home until charges are paid down below the allowable limit.
  - d. A letter will be mailed requesting that parents fill out an enclosed free/reduced meal form and return it to the school.
  - e. Students in grades K-8 may be served, at lunch only, an alternate meal at the discretion of the Principal and/or Child Nutrition Director if excessive charges are not paid in a timely manner.
  - f. Alternate meals will not be served in grades 9-12.
  - g. No extra food or items (chips, ice cream, water, etc..) sales will be allowed to be charged to a student's account unless they already have funds in the account.
- 4. No outside food will be brought in the cafeteria unless it is in an unmarked container. No food shall be delivered to the offices for students. Any food delivered to the office must be sent back with the person delivering it.
- 5. Report cards for any student with charges may be withheld and require that parents pay all outstanding charges before report cards are released.
- 6. Principals will be given a charge report at the end of each school year with the names of students who have outstanding charges.
- 7. Any student still owing outstanding meal charges may encounter delayed enrollment the following school year until all outstanding meal charges and/or school fines are paid.
- Students who owe meal charges will not be allowed to purchase extra food sale items until all charges are paid in full.
- 9. No student or adult will be allowed to charge extra food sale items unless fund are in their account.
- 10. Adults are not allowed to charge and are required to make prepayments in advance or at the point of sale.
- 11. Students who are withdrawn in the middle of a school year must pay all outstanding charges. School staff should obtain outstanding charge amount information from the Child Nutrition Office before final withdrawal is conducted. If student is released with a negative balance to owed amount will be taken out of that school's Principal budget to cover the cost.
- 12. All students who reach or exceed allowable charge limits may not be allowed to participate in any school activities (sport, activities, field trips, incentives, field day, etc) until the balance is paid or arrangements are made with the school principal or child nutrition director.
- 13. All Students that owe will not be allowed to be take their semester exams or be exempt from their nine weeks or semester test
- \*Instructional staff will share in the responsibility of collection of monies for sale of meals.
- \*\*Payment for meal costs for adults will be by cash, advanced sale, or online payment at the point of service.