Negative Meal Debt...in the News

- Jan 30, 2014 “Utah School Takes Lunches From Kids with Debt”
- Feb 11, 2014 Minneapolis Star Tribune newspaper
  - “…I am hoping you will speak with your food service directors regarding this information and find ways to ensure children are never turned away from receiving a hot meal.” – Brenda Cassellius, MDE Commissioner
- Feb 21, 2014 Anoka County Union Herald
  - “…District 11 (Anoka-Hennepin) has not and will not deny a hot lunch to any child, regardless of whether the funds in their account will cover the meal.”
    - Dennis Carlson, Superintendent, Anoka-Hennepin Schools

Unintended Consequences

- MDE Survey to SFAs in 2015 showed 62% of MN districts experienced an increase in meal debt owed
- Top 3 barriers to collecting money:
  - 92% of households do not respond to current collections methods.
  - 76% of Parents/Households do not complete an application
  - 57% District Administration requires that all students be fed
- Anoka-Hennepin CNP Meal Debt Increases
  - SY 10-11 to SY 11-12 +12% $103,725 to $115,711
  - SY 11-12 to SY 12-13 +6% $115,711 to $144,000
  - SY 12-13 to SY 13-14 +61% $144,000 to $237,890
  - SY 13-14 to SY 14-15 +48% $237,890 to $349,258
  - SY 14-15 to SY 15-16 *collection agency engaged
Current Meal Balance Procedures

- Weekly Low/Negative Balance Calls and Emails
  - Every Thursday parents/guardians receive a call and email if their student's account balance is less than $5.00 as a reminder to make a payment.
- Letters
  - Letters ("invoice") mailed monthly for accounts that owe more than $25.00.
- Payment Plans can be set up for recurring payments (FeePay)
- May 2016 hired Advantage Collections agency
  - Accounts owing more than $50.00 that have received 2 letters (i.e. 2 months) and have not set up a recurring payment plan
  - Free-eligible students excluded from collections activities
  - CNP gets 70% of collected amount, 30% fee to agency
  - Students' account is adjusted for the amount sent to collections (account balance set back to $0) as Delinquent Debt

Current Debt Collection Results

- Anoka-Hennepin CNP does write-off delinquent debt for free-eligible students' accounts at end of each school year.
- Other unpaid student debt continues to increase.
- Calls, emails and letters do little to motivate parents to pay negative meal balances.
- CNP does not take away or deny students' meals.
- All students receive full meals.
- The Child Nutrition Department's goal is to keep debt and collections matters on an adult-to-adult level.
- May 2016 submitted $162,062 in students' meal account debt to collection agency, represented 546 students' accounts that owed more than $100 (eff 9/1/16 $50.00).
- Files are submitted to the agency monthly, recovery rate about 20%.
- Amount paid to AH by collection agency since May 2016 $49,280.
- About $250,000 submitted for collection.

Other Debt Collection Practices

- Added negative meal balances (those owing more than $25.00) to the High School and Middle Schools' fines and fees lists.
  - Free students are not affected by the fines or fees list.
  - Athletic or educational participation not affected by negative meal debt.
  - i.e. Prom/Dance tickets, parking passes, extracurricular field trips, etc.
  - School by school decision
  - Principals have discretion to enforce fines or fees list.
  - Activities Secretaries have access to meal balances in SIS
  - A la Carte purchases restricted if student owes more than $25.00.
  - Even if they have cash in hand.
Debt Collection Alternative

- Students with a meal debt owing more than $50 are offered the option of signing up for an EFT recurring payment plan.
- Debt payments are automatically withdrawn to pay negative meal balances within 1 year.
- Worked with TIES/FeePay to implement online solution (AH online payment provider).
- Requires autopay after payment plan satisfied for future purchases.

Communication Plan

- Written Policy will be mailed (possibly emailed also) to all district households after July 2017 per new USDA policy.
- Will be posted on CNP website.
- Shared with CNP staff and district principals.
- Summary included on all negative balance letters mailed to households monthly.

USDA Guidance


Anoka-Hennepin Child Nutrition website

www.ahschools.us/cnp