



RIVER VALLEY SCHOOL DISTRICT

660 West Daley Street

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Spring Green, Wisconsin 53588

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Phone: 608-588-2551

Rule 762.1

Food Service Collection and Non-Payment

The District Administrator and Business Manager shall be responsible for the accurate and timely collection of funds due the District from food service related transactions.

All receipts from food service transactions shall be deposited promptly. Collections shall be deposited daily. Any subsequent collections made, but not deposited the same day, are to be locked in a vault or safe and deposited with the following day's collection. Money should never be left in a school or at the District Office over weekends or holidays.

INSUFFICIENT ACCOUNT BALANCES

It is the district's goal to work with families who are not able to maintain a positive meal account balance. When the account reaches a \$0 balance students will not be denied a regular food service meal. Families with a low (\$7.00) account balances will be notified by an automatic calling system on weekday evenings between 5:30 pm to 8:30 pm.

All accounts at negative \$50 balance will be notified by mail, and that will include the application for free or reduced price lunch. If the account stays at negative ~~\$50~~ \$100 for more than a month, a designee from the district will contact the family to address funding food services accounts in the future, include assisting with application for free and reduced price lunch.

The Business Manager may file a claim with small claims court or utilize the services of a collection agency and/or legal counsel to secure collection on unpaid debts not paid within thirty days of the actual restriction of access to food service programs, unless an alternative payment plan has been approved by the District Administrator. The charges for filing claims with small claims courts or for securing the services of a collection agency shall be added to the unpaid debt due the District. Unpaid debt will not be absorbed by the food service fund, Fund 50.

The Business Manager shall review all outstanding obligations and approve for any debt forgiveness which in his/her judgment remains uncollectible at the end of each fiscal year.

BAD DEBT

Bad debt incurred through the inability to collect lunch payment from students is not an allowable cost chargeable to any Federal program. Any related collection cost, including legal cost, arising from such bad debt after they have been determined to be uncollectable are also unallowable.

Bad debt is uncollectable/delinquent debt that has been determined to be uncollectable no sooner than the end of the school year in which the debt was incurred. If the uncollectable/delinquent debt cannot be recovered by the School Meals Program in the year when the debt was incurred, then this is classified as bad debt. Once classified as bad debt, non-Federal funding sources must reimburse the NSFSA for the total amount of the bad

debt. The funds may come from the District general fund, State or local funding, school or community organizations such as the PTA, or any other non-federal source. Once the uncollectable/delinquent debt charges are converted to bad debt, records relating to those charges must be maintained in accordance with the records retention requirements in 7 CFR 210.9(b) (17) and 7 CFR 210.15(b).

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, religious creed, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

CROSS REF: Policy #762.1 - Food Service Collection and Non-Payment
Records Retention Requirements: 7 CFR 210.9(b) (17) and 7 CFR 210.15(b)

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