

## **New Grant: 31k Funding for Student Meal Negative Balance Forgiveness School Year 2020-2021**

Only for the 2020-2021 School Year, we have \$1 million in new state school aid fund money appropriated (Section 31k) for reimbursement payments to public school districts, charter schools, and public-school academies who forgive all outstanding current student-meal negative balances.

Reimbursement payments can be awarded to eligible districts that apply. We are currently working on this application. The application will go live by early November with a firm deadline to apply no later than December 1, 2020.

Submissions will be evaluated and reimbursement payments for selected districts will be made within 60 days of the final deadline. The funds may be prorated if there is not enough to cover all eligible submissions.

### **To be eligible districts must:**

- Write off current/active/enrolled student meal negative balances with a transfer from the General Fund.
  - Student Meal Negative Balances paid off from private donations or angel funds are not eligible for Forgiveness Reimbursement.
  - Bad debt written off for inactive students in prior school years is not eligible for Student Meal Negative Balance Forgiveness Reimbursement.
- Adopt a meal charge policy that prevents public identification and all forms of lunch shaming as outlined in State Aid Section 31k (see below).

### **The application will require submission of the following:**

1. The transactions used to write off negative balances from the Food Service Fund with a transfer from the General Fund as of September 30, 2020.
2. Total amount of forgiven negative balances for current/active/enrolled students as of September 30, 2020, by eligibility status.
3. A copy of the student roster by eligibility of negative balances for current/active/enrolled students as of September 30, 2020.
4. Meal charge policy that prevents lunch shaming with the specifics outlined in State Aid Section 31k as follows:
  - prohibits the requiring of students who cannot pay for a school meal or who owe a negative balance to wear a wristband or handstamp

- prohibits the requiring of students who cannot pay for a school meal or who owe a negative balance to perform chores or other work to pay for school meals
- prohibits the requiring of students to dispose of a meal after it has been served because the student is unable to pay for the meal or has a negative balance
- prohibits the direct communication with a student about a negative balance unless your district has unsuccessfully attempted to contact the student's parent or legal guardian first through telephone, mail, and electronic mail
- prohibits discussing a negative balance with a student in the presence of other students

More details and a link to the application will be sent out through the SNP News and other communication avenues later in October.

Questions regarding this grant opportunity can be sent to the Fiscal and Administrative Services Monitoring Team at [MDE-Fiscal@Michigan.gov](mailto:MDE-Fiscal@Michigan.gov) or 517-241-5380.

#### **Questions and Answers:**

**Question:** How far back can we go for negative balance write offs? Just the 2019/2020 school year?

**Answer:** To be eligible the negative balances must be from current students, and it must be written off from the general fund. Negative balances from inactive students (bad debt) are not eligible.

**Question:** Can I just wipe/forgive the negative balances from the Food Service Fund without a transfer from the General Fund?

**Answer:** No. It is not allowable to absorb negative balances in the Food Service Fund. They must be paid for from a non-federal funding source like the General Fund (excluding donations or Angel Funds).

**Question:** Does the meal charge policy have to be Board approved?

**Answer:** No, this is not a requirement. However, it is a best practice.

**Question:** How will I be notified if my district is chosen to receive the Forgiveness funding?

**Answer:** You will receive a notification from GEMS/MARS once the awardees have been chosen.