

## Why GAO Did This Study

The National School Lunch Program served more than 31 million children in fiscal year 2012, in part through \$11.6 billion in federal supports. The Healthy, Hunger-Free Kids Act of 2010 required USDA to update nutrition standards for lunches. USDA issued new requirements for lunch components—fruits, vegetables, grains, meats, and milk—and for calories, sodium, and fats in meals. USDA oversees state administration of the program, and states oversee local SFAs, which provide the program in schools. The changes were generally required to be implemented in school year 2012-2013. GAO was asked to provide information on implementation of the lunch changes.

GAO assessed (1) lunch participation trends, (2) challenges SFAs faced implementing the changes, if any, and (3) USDA's assistance with and oversight of the changes. To address these areas, GAO used several methods, including review of federal laws, regulations, and guidance; analysis of USDA's lunch participation data; a national survey of state child nutrition program directors; and site visits to eight school districts selected to provide variation in geographic location and certain school district and food service characteristics.

## What GAO Recommends

To improve program integrity, GAO recommends that USDA clarify the need to document noncompliance issues found during state reviews of SFAs and complete efforts to assess states' assistance needs related to oversight of financial management. USDA generally agreed with GAO's recommendations.

View [GAO-14-104](#). For more information, contact Kay E. Brown at (202) 512-7215 or [brownke@gao.gov](mailto:brownke@gao.gov).

## SCHOOL LUNCH

### Implementing Nutrition Changes Was Challenging and Clarification of Oversight Requirements Is Needed

## What GAO Found

Nationwide, student participation in the National School Lunch Program declined by 1.2 million students (or 3.7 percent) from school year 2010-2011 through school year 2012-2013, after having increased steadily for many years. This decrease was driven primarily by a decline of 1.6 million students eating school lunch who pay full price for meals, despite increases in students eating school lunch who receive free meals. State and local officials reported that the changes to lunch content and nutrition requirements, as well as other factors, influenced student participation. For example, almost all states reported through GAO's national survey that obtaining student acceptance of lunches that complied with the new requirements was challenging during school year 2012-2013, which likely affected participation in the program. Federal, state, and local officials reported that federally-required increases to lunch prices, which affected many districts, also likely influenced participation.

School food authorities (SFA) faced several challenges implementing the new lunch content and nutrition requirements in school year 2012-2013. For example, most states reported that SFAs faced challenges with addressing plate waste—or foods thrown away rather than consumed by students—and managing food costs, as well as planning menus and obtaining foods that complied with portion size and calorie requirements. SFAs that GAO visited also cited these challenges. However, both states and SFAs reported that they expect many of these areas will become less challenging over time, with the exceptions of food costs, insufficient food storage and kitchen equipment, and the forthcoming limits on sodium in lunches.

The U.S. Department of Agriculture (USDA) provided a substantial amount of guidance and training to help with implementation of the lunch changes and program oversight, but certain aspects of USDA's guidance may hinder state oversight of compliance. Starting in school year 2012-2013, USDA allowed states to focus their oversight of the lunch changes on providing technical assistance to SFAs rather than documenting instances of noncompliance and requiring corrective actions to address them. This assistance likely helped many SFAs move toward compliance with the new lunch requirements and become certified to receive increased federal reimbursements for lunches. However, evidence suggests this approach may have also resulted in some SFAs that were not fully meeting requirements being certified as in compliance. Without documentation of noncompliance and requirements for corrective actions, SFAs may not have the information needed to take actions to address these issues, and USDA may lack information on areas that are problematic across SFAs. Moving forward, USDA has been developing a new process for conducting program oversight, in part because of new statutory requirements. This new process adds requirements for reviewing SFA financial management, and many states reported a need for more guidance and training in this area. USDA has acknowledged that states' processes for reviewing this area have been inconsistent and sometimes inadequate in the past. While USDA has provided some assistance to states on the new requirements related to SFA financial management, until USDA has collected information from all states on their needs in this area, the department will not know if all states are fully prepared to oversee SFA financial management.