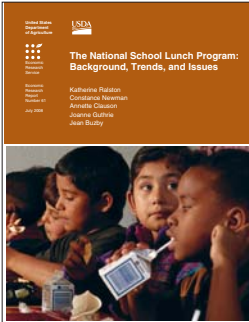


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National School Lunch Program: Background, Trends, and Issues

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The National School Lunch Program (NSLP) is one of the largest food and nutrition assistance programs in the United States, feeding millions of children every day. During the 2006 school year, the program served 28 million lunches daily, on average, at a cost of \$8 billion for the year. School meal providers face the task of serving nutritious and appealing school lunches, including free and reduced-price lunches for low-income students, and doing so under budget constraints. This report is intended as a briefing for policymakers and other stakeholders on the history and basic features of the program. It also addresses steps being taken by school food authorities and USDA's Food and Nutrition Service (FNS) in response to challenges faced by program administrators.

What Is the Issue?

One of the main goals of NSLP as identified by Congress is to promote the health and well-being of the Nation's children. In recent years, questions have been raised about the program's ability to meet this goal, especially as the main nutrition problem has shifted from undernutrition to overweight and obesity. Public concern for the program has focused on whether it is contributing to the growing problem of childhood obesity and on the quality of foods available to schoolchildren. In response, many States and localities have imposed stricter nutritional requirements on both NSLP meals and "competitive foods" (other foods and beverages available in the school). School meal providers have wrestled with meeting these restrictions and other program requirements while covering rising costs and encouraging student participation. Meanwhile, issues at the Federal level include how to help school meal providers improve the nutritional quality of foods served as well as how to balance program access and integrity, particularly in regard to ensuring that ineligible students do not receive free or reduced-price lunches.

What Did the Study Find?

Most issues related to the NSLP touch upon, in one way or another, two, if not all three, components of a school meal "trilemma" involving the meal's nutrition, program cost, and student participation in the program. This trilemma applies to competitive foods as well because revenues from these foods can be important to the budgets of both the cafeteria and the school as a whole. A change to one component of the trilemma can have unintentional effects on either or both of the other components.

Nutritional quality of foods. Results are inconclusive from the best designed studies comparing the weight gain of NSLP participants with that of nonparticipants. One study shows no effect of program participation on children's obesity, and another study shows a small effect. The most rigorous study of nutrient intake shows similar calorie intakes for participants and nonparticipants but higher fat and sodium intakes for participants. While some studies find that participants derive impor-

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tant nutritional benefits from participating in the program, including higher intake of key nutrients and underconsumed foods and lower intake of sweets, other findings suggest that participants have high intakes of fat and sodium, and that a substantial share of school meal providers are not ensuring that foods meet the recommended levels of fat and sodium.

Program costs and revenues. To defray costs, many schools, and, sometimes, the school food service itself, depend on revenues from competitive foods, even though such foods have been found to contribute to overconsumption of calories, increased plate waste of nutritionally balanced NSLP lunches, and decreased intakes of nutrients by students. Rising costs also have increased pressure on school boards to use private foodservice management companies. The size of these operations provides them with greater purchasing power to procure foods. Many also reduce costs by providing lower benefit levels to their employees than those provided to employees of inhouse school meal providers.

Several studies show that schools could reduce the fat content of foods offered and increase consumption of underconsumed foods, such as milk and vegetables, while still maintaining revenue levels and NSLP participation levels. This can be done by exposing students to new foods, updating menus, changing the way food is presented, and providing nutrition education. USDA has assisted schools in this effort by providing grants for educational resources through its Team Nutrition initiative and by including lower fat foods as part of the commodities it donates to the program.

Access and integrity. In the late 1990s, concerns arose that certification errors were enabling ineligible students to receive free or reduced-price meals from NSLP. Studies to uncover the sources of the errors found that household incomes of students often changed during the year, causing some students to move in and out of monthly eligibility. The 2004 Child Nutrition Reauthorization Act established eligibility for certified students for a full year, and this change has eliminated errors related to income volatility. Direct certification—automatic certification for children in households participating in the Food Stamp Program, Temporary Assistance for Needy Families, or the Food Distribution Program on Indian Reservations—has also reduced error rates and has been shown to increase participation by students eligible for a free school lunch. The Act required all schools to phase in direct certification and to use new methods to verify eligibility of students. The new policies are expected to reduce, but not totally eliminate, certification errors; some errors, such as those stemming from household reporting, are not directly affected by the policies.

Improving the nutritional quality of school meals and competitive foods may, in principle, be a goal of many NSLP stakeholders, including schools, parents, the nutrition community, FNS, and Congress. But meeting this goal may raise program costs for parents, localities, or the Federal Government. Moreover, even if more nutritious foods are provided, that does not guarantee that students will eat them. Both participation and program costs can be affected by administrative policies and procedures, such as those used to determine program eligibility, to enroll children through application or direct certification, and to conduct eligibility verifications.

How Was the Study Conducted?

Researchers from USDA's Economic Research Service (ERS) reviewed recent economic-based and nutrition-based literature on NSLP, focusing on issues of health and administration. In summarizing findings from different studies, researchers gave more weight to the studies that were nationally representative and rigorously conducted. Several new studies have greatly aided these efforts. A large and comprehensive study sponsored by ERS assessed the last 35 years of research on health and nutritional outcomes of all food and nutrition assistance programs. The 2005 School Nutrition and Dietary Assessment Survey (SNDA), sponsored by FNS, provided the most recent data on the program's impact on children's diets. The 2005 School Lunch and Breakfast Cost Study, sponsored by FNS, provided nationally representative data on school meal costs. Several other studies sponsored by FNS provided findings on the efficiency of NSLP administration.