

Why GAO Did This Study

The McGovern-Dole International Food for Education and Child Nutrition Program (MGD Program) provides donations of U.S. agricultural products and financial and technical assistance for school feeding programs in the developing world. According to the U.S. Department of Agriculture (USDA), with about \$200 million in funding in fiscal year 2010, the MGD Program served about 5 million beneficiaries in 28 countries. In 2006 and 2007, USDA's Office of the Inspector General (OIG) audited the department's food aid programs and identified significant weaknesses. This report examines (1) USDA's oversight of the MGD Program and (2) the extent to which USDA has addressed the program's internal control weaknesses. GAO conducted field work in Cambodia, Guatemala, and Kenya; reviewed USDA and implementing partners' documents and studies on school feeding; and interviewed officials from U.S. agencies and various organizations.

What GAO Recommends

GAO recommends that the Secretary of Agriculture improve oversight of the MGD Program, including issuing monitoring and evaluation guidance for implementing partners, and formalize policies and procedures for closing out grant agreements and establishing guidance to determine when agreements should be closed. USDA agreed with GAO's recommendations and said that it will take steps to address them.

INTERNATIONAL SCHOOL FEEDING

USDA's Oversight of the McGovern-Dole Food for Education Program Needs Improvement

What GAO Found

USDA has established a grant approval process consistent with the MGD Program's objectives of education, nutrition, and sustainability, but weaknesses in its oversight limit its ability to ensure that the program's objectives are met. Specifically, USDA has established criteria for designating priority countries, assessing proposals, and negotiating grant agreements with the United Nations World Food Program and nongovernmental organizations that implement the MGD Program. In addition to providing in-school meals and take-home rations, USDA supports complementary activities such as teacher training, nutrition education, and fostering parental involvement. The oversight weaknesses that GAO identified include:

- USDA provides weak performance monitoring of the MGD Program's implementation. For example, USDA does not systematically analyze implementing partners' reporting and provides limited feedback. In addition, requirements for implementing partners do not ensure consistent reporting and lack performance indicators directly measuring educational progress, such as learning, and, in some cases, nutrition. GAO's *Standards for Internal Control in the Federal Government* states that activities need to be established to monitor performance measures and indicators and that these controls could call for comparisons and assessments relating different sets of data to one another so that analysis of the relationships can be made and appropriate actions taken. USDA does not conduct systematic site visits and relies on the implementing partners' performance monitoring, whose rigor varies by implementing partner.
- USDA has not evaluated completed MGD projects, but is taking steps that will emphasize evaluation in the future. Although USDA now requires implementing partners to conduct evaluations, it has not yet established policies and procedures to guide these evaluations. The American Evaluation Association's *An Evaluation Roadmap for a More Effective Government* recommends that agencies develop policies and procedures to guide evaluation and assess the strengths and weaknesses of programs to improve their effectiveness.

GAO found that USDA is taking steps to improve its financial oversight of MGD projects, but further improvements would help strengthen its internal controls. GAO's *Standards for Internal Control in the Federal Government* also states that managers need to compare actual performance to planned results and analyze significant differences in a timely manner. USDA has controls in place over project expenditures, but a lack of timely grant closeouts prevents USDA from ensuring that grantees have met all financial requirements and that unused or misused funds are promptly reimbursed to USDA. To date, USDA has collected over \$850,000 in unused or misused funds via grant closeouts; however, 15 of 42 (36 percent) of the MGD grants that are eligible to be closed, remain open. Finally, USDA has related outstanding OIG audit recommendations to implement and close.