

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

**SESSION LAW 2010-115
SENATE BILL 1152**

**AN ACT AUTHORIZING THE JOINT LEGISLATIVE PROGRAM EVALUATION
OVERSIGHT COMMITTEE TO DIRECT THE PROGRAM EVALUATION DIVISION
TO STUDY INDIRECT COSTS UNDER CHILD NUTRITION PROGRAMS.**

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Joint Legislative Program Evaluation Oversight Committee shall include in the 2010 Work Plan for the Program Evaluation Division of the General Assembly a study of the operation of the Child Nutrition Program. The Division shall examine (i) the guidelines for assessing direct and indirect operating costs to local child nutrition programs in local school administrative units, including rent, costs assessed on a square footage basis, maintenance, utilities, and any other costs charged or allocated to food services; (ii) discrepancies in how local school administrative units calculate and report indirect costs for child nutrition programs, the impact of these discrepancies on child nutrition programs, and whether local school administrative units are charging these indirect costs to incorrect budget items; (iii) federal guidelines on minimum fund balances for child nutrition programs and whether all local child nutrition programs in local school administrative units are in compliance with these guidelines; (iv) practices in other states regarding the operation of child nutrition programs, including procedures for assessment of indirect costs and guidelines for fund balances; (v) funding requirements necessary for elementary, middle, and high schools to implement the nutrition standards implemented by S.L. 2005-457, as amended by Section 7.36A of S.L. 2007-323 and Section 7.25 of S.L. 2008-107; and (vi) any other issues the Division deems relevant to this study.

SECTION 1.(b) The Program Evaluation Division shall submit its findings and recommendations to the Joint Legislative Program Evaluation Oversight Committee, the Joint Legislative Commission on Governmental Operations, the Legislative Task Force on Childhood Obesity, and the Fiscal Research Division at a date to be determined by the Joint Legislative Program Evaluation Oversight Committee.

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 8th day of July, 2010.

s/ Walter H. Dalton
President of the Senate

s/ Joe Hackney
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 3:22 p.m. this 20th day of July, 2010

