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## EMPOWERING PARENTS GRANT PROGRAM REVIEW COMPLETE

The Office of the State Board of Education (OSBE) completed its internal review of the Empowering Parents grant program, concluding less than 1-percent of total purchases were identified as ineligible. The ineligible purchases represent approximately 0.57-percent of total grant funds expended, and reimbursement of ineligible purchases from the state's vendor, Odyssey, is in process. New procedures also were established to prevent ineligible purchases from occurring in the future.

To date, the program has benefited more than 49,000 Idaho children with items and resources to help support their education outside the classroom.

"The State of Idaho and our vendor for the Empowering Parents grant program, Odyssey, have successfully distributed the vast majority of these important grants to Idaho families to improve educational outcomes for our students. The state and Odyssey share a goal of working together closely to continue administering this program with integrity and transparency, and we appreciate their partnership," State Board of Education President Dr. Linda Clark said. "Odyssey is committed to working in strong collaboration with all of the partners we serve, especially the State of Idaho, and are proud to advance the goals of the Empowering Parents program. We will always work hard to quickly resolve any questions and issues, and we appreciate the State of Idaho for working so closely with us to ensure the program is even more successful for Idaho families," Odyssey Founder and CEO Joseph Connor said.

Earlier this year, OSBE staff flagged some purchases as potentially ineligible under Idaho law and quickly launched an internal review of all purchases made through the end of April, when the bulk of purchases were made before rigid procedures were put in place.

Odyssey is working to reimburse the state for the less than 1-percent of purchases that were identified as ineligible under a strict interpretation of statute. For another 6-percent of the purchases identified, OSBE staff will propose that the Parent Advisory Council consider recommending certain items and categories of expenditures for State Board of Education approval under Idaho Code 33-1033(f). These include things like camps and classes, educational equipment such as computer cases, physical education equipment, and uniforms. In addition, more information is needed on approximately 8-percent of purchases, and OSBE and Odyssey are working together to compile what's needed to determine eligibility.

Improved procedures will ensure more accountability of the program moving forward. OSBE staff will review all purchases within 72 hours of purchase. Odyssey and OSBE documented new business procedures that outline workflow and new safeguards to ensure tighter scrutiny of the program. In addition, Odyssey implemented a "punch out" system from some vendors that requires staff approval of the purchase before it is finalized. Vendors must agree to make only clearly eligible products and services available on the marketplace, and parents will be required to submit documentation and attestation of the educational purpose of all purchases.

In addition, while the state's contract with Odyssey did not contain any conditions related to the accrual of interest on Empowering Parents grant funds, Odyssey will work with the State of Idaho to resolve the matter and stands ready to refund the interest earned.

Meanwhile, the independent audit of the program ordered by Governor Brad Little moves forward.

"The Empowering Parents grant program has been tremendously successful in helping meet the educational needs of tens of thousands of Idaho students. The review that took place over the past several weeks led to improved procedures that minimize the potential for misuse and add greater accountability of these public funds. I look forward to the results of the outside audit to ensure the greatest level of transparency within the program," Governor Little said.

The full transaction review report is available here: <u>https://boardofed.idaho.gov/wp-content/uploads/2023/06/Empower-Parents-</u> <u>Transaction-Report\_06.30.2023.pdf</u>

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