Transparency Websites - Be your own best watchdog

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Limited access and hard to digest data of government spending records on state websites has created frustration among citizens and a growing concern over how wisely their tax dollars are spent. Citizen demands for greater accountability and transparency have inspired taxpayer rights organizations to support and fund state transparency initiatives, which now serve as models for federal and state databases that digitally track government spending.

On October 1, 2007 the Texas Comptroller Office launched a $310,000 transparency website, "**Where the Money Goes**", tracking detailed state spending patterns. The website provides spending information by agency, payee/recipient and category for current and past fiscal years. In FY2007, Texas spent about $125 million in data processing, computer, programming and software services. Expenditures in computer hardware, software and peripherals accounted for over $30 million and expenditures in radio communication and telecommunication equipment amounted to $13 million. Moreover, IT vendor purchasing patterns can be tracked by searching IT related categories for a specific agency or for all agencies. The website lists thousands of searchable vendors and contracting expenses. The detail of state spending on this website educates citizens to be their own watchdog over their taxpayer dollars but it also helps state agencies identify ways to combine budgetary resources and ultimately implement more effective purchasing practices.

The idea of transparency websites was originally created by organizations committed to use technology to improve access of government spending to the average citizen. **OMB Watch**, a nonprofit website tracking federal spending, was the inspiration behind federal mandate **S. 2590**, which directs the federal government to implement a database with capabilities to search all federal contracts and grants by end of 2007. The federal legislation encouraged fifteen state Governors and legislatures to introduce transparency bills during their 2007 legislative sessions. States delaying transparency projects are mainly concern with the work involved developing and enhancing databases, funding requirements and the ambiguity over the public's right to access public records.

A report by the **American for Tax Reform**, an anti-tax group, presents legislative attempts of those states supporting transparency projects.
https://internal1/_linh/%22http://www.kslegislature.org/bills/2008/2368.pdf%22Kansas, the first state to enact legislation creating a website detailing state expenditures, plans to invest $40 million over a three year period in technology upgrades. **Minnesota**, **Oklahoma**, **Texas** and **Hawaii** have all enacted similar transparency laws. Kentucky, New Mexico, Maryland, Florida and others plan to revisit transparency efforts during their 2008 legislative sessions. By Executive Orders, Missouri created the **Missouri Accountability Portal** (MAP) to search state expenditures and Florida created **The Office of Open Government** and **Commission on Open Government** to review the public's right to access government records. Transparency legislation also gained traction in local governments. Texas and North Dakota introduced legislation that would mandate school districts to detail expenditures online. King County, WA and Alexandria, VA, respectively, have approved legislation disclosing a breakdown of property taxes and detailing city grants and contract information online.

GovWin's Take

- GovWin anticipates more state Governors to pass into law transparency related bills expected to be introduced in upcoming legislative sessions. As a result, more online databases tracking where the money is being spent will be developed and available to constituents to view.
- Increasing demand for more accurate and detailed state and local government spending data will drive demand for more modern and flexible budgeting/financial systems as well as generally accepted accounting practices for government.
- For IT vendors, these initiatives will provide more data to track in regards to how States are spending money on Information Technology purchases.

More information about transparency websites and legislation nationwide can be found in GovWin's

latest Industry Insight report "State 'Transparency' Websites Provide Immediate Insights and Long-Term Opportunities for Vendors" (July 2008).