



TRANSPARENCY INTERNATIONAL | USA

Presentation to Data Transparency Town Hall

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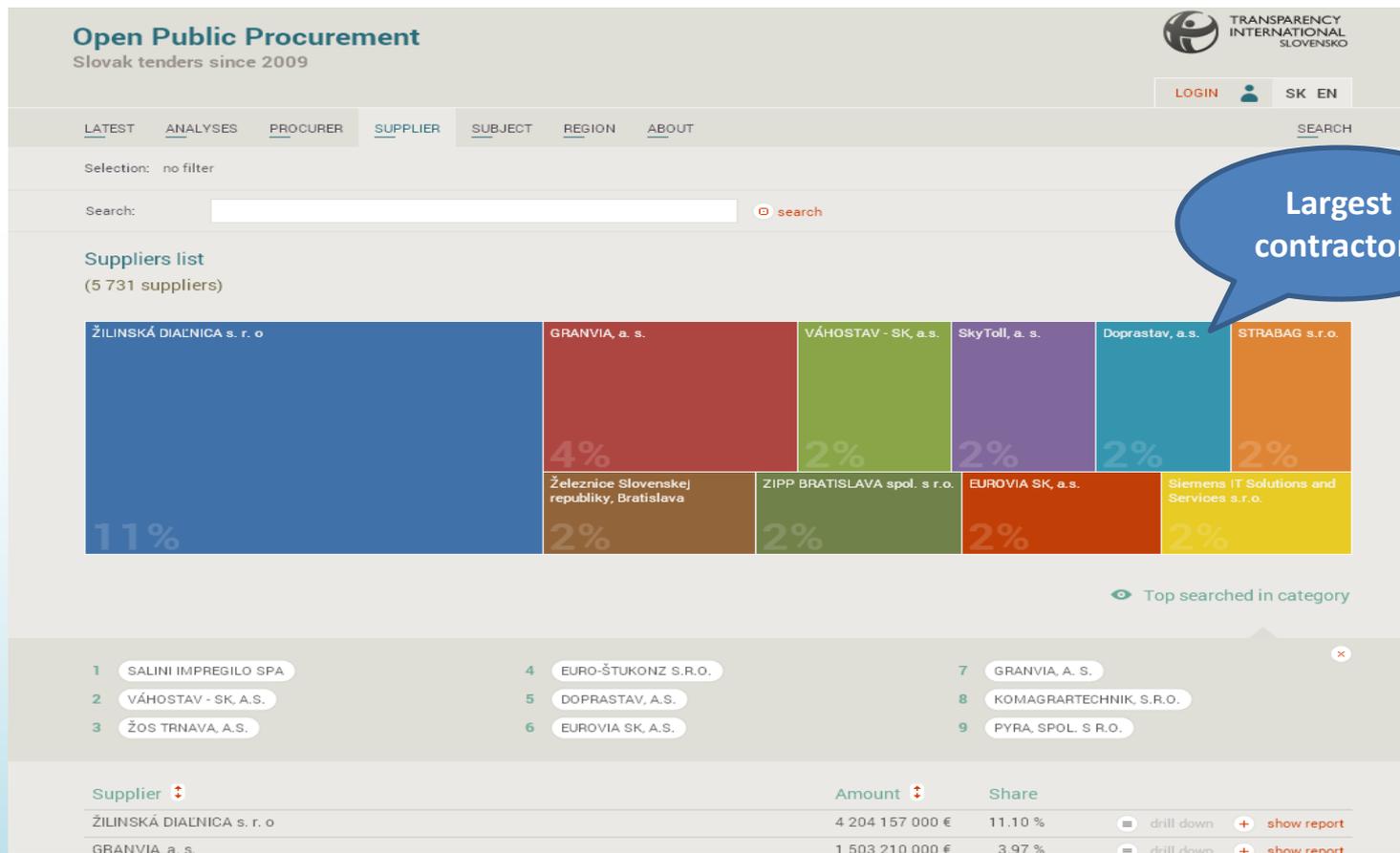
Fiscal Transparency – the Civil Society Perspective

- Essential to promoting *informed* public participation
- A specific goal in the US's [second action plan](#) under the Open Gov. Partnership
- A valuable tool for Congress, agencies, and oversight bodies interested in monitoring federal spending
- A valuable tool for civil society interested in monitoring spending, particularly procurements and grants

Fiscal Transparency – the link with procurement monitoring

- **USG total procurement spend over \$500 billion annually**
- **OECD estimates that worldwide, 20-25% of procurement spend lost to corruption**
- **Civil society seeks to reduce corruption and fraud through procurement monitoring**
- **Two types of civil society procurement monitoring to identify procurement corruption and fraud: macro and micro**

Macro approach: relies on data analysis to spot patterns



Micro approach: relies on detailed monitoring of individual procurements

| Contract Changes | | |
|--|---|--|
| 12 Are there any significant contract changes, after the award, resulting in excessive cost increases or substantial project modification? | Multiple Contract Change Orders, Missing or Misuse of Assets, Fraud, Approval of change orders or incomplete work | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |
| 13 If an Integrity Pact was signed, did any of the signatories fail to implement its provisions? For tips, click here . | Failure to Meet Contract Terms | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |
| Accounting/ Audit | | |
| 14 Are there conflicts of interest in the monitoring and evaluation process? | Deficient Evaluation Process, Collusion | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |
| 15 Did the auditors and/or monitoring and evaluation officers fail to adequately perform their duties? For tips, click here . | Inadequate Controls, Deficient Evaluation Process | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |
| 16 Are cost overruns inadequately explained or justified? | Missing or Misuse of Assets, Inadequate Controls, Fraud, Deficient Evaluation Process | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |
| 17 Did the audit reveal fraudulent accounting and/or cost misallocation? | Missing or Misuse of Assets, Fraud | <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Not Applicable <input type="radio"/> Info. Not Available |

The DATA Act: How can it help civil society procurement monitoring?

- **Macro approach depends upon:**
 - 1. Open, non-proprietary format**
 - 2. Machine-readable**
 - 3. Downloadable in bulk**
- **Macro approach also depends upon unique identifiers for parent company *and* subsidiaries/offices**
- **Ultimate beneficial ownership information must also be disclosed**

The DATA Act: How can it help civil society procurement monitoring?

- Current reliance on DUNS numbers must be ended
- DUNS numbers are proprietary—when government doesn't pay for the right to use them, the data [disappears](#)
- DUNS numbers are also assigned to subsidiaries, offices, etc. – very difficult to aggregate information for large corporate groups

The DATA Act: How can it help civil society procurement monitoring?

- Micro approach depends upon checkbook-level payment detail
- Checkbook-level payment detail allows civil society monitors to track execution and payment of contracts
- www.checkbooknyc.com is a good example of a site with the type of information useful to civil society monitors

The NYC Checkbook example

SPENDING TRANSACTIONS

| FISCAL YEAR | NUMBER OF TRANSACTIONS | | | | | AMOUNT SPENT |
|----------------------------------|------------------------|-------------|--------------|-------------------|-------------------------------|---------------------|
| <input type="checkbox"/> FY 2015 | 429 TRANSACTIONS | | | | | \$8.70M |
| | DATE | DOCUMENT ID | CHECK AMOUNT | EXPENSE CATEGORY | AGENCY | DEPARTMENT |
| | 09/04/2014 | 20150084602 | \$5.04K | SECURITY SERVICES | DEPARTMENT OF SOCIAL SERVICES | ADMINISTRATION-OTPS |
| | 09/04/2014 | 20150084602 | \$1.28K | SECURITY SERVICES | DEPARTMENT OF SOCIAL SERVICES | ADMINISTRATION-OTPS |
| | 09/04/2014 | 20150084602 | \$1.39K | SECURITY SERVICES | DEPARTMENT OF SOCIAL SERVICES | ADMINISTRATION-OTPS |
| <input type="checkbox"/> FY 2014 | 348 TRANSACTIONS | | | | | \$7.14M |

CONTRACT HISTORY

| FISCAL YEAR | NUMBER OF MODIFICATIONS | | | | | CURRENT AMOUNT | ORIGINAL AMOUNT | | |
|----------------------------------|-------------------------|------------|------------|-------------------|--------------------|----------------|-----------------|-------------------|----------------|
| <input type="checkbox"/> FY 2015 | 6 MODIFICATIONS | | | | | \$18.20M | \$18.20M | | |
| | VERSION NUMBER | START DATE | END DATE | REGISTRATION DATE | LAST MODIFIED DATE | CURRENT AMOUNT | ORIGINAL AMOUNT | INCREASE/DECREASE | VERSION STATUS |
| | 12 | 02/01/2014 | 07/31/2014 | 06/02/2014 | 09/12/2014 | \$18.20M | \$18.20M | \$0.00 | REGISTERED |
| | 11 | 02/01/2014 | 07/31/2014 | 06/02/2014 | 08/27/2014 | \$18.20M | \$18.20M | \$0.00 | REGISTERED |
| | 10 | 02/01/2014 | 07/31/2014 | 06/02/2014 | 08/16/2014 | \$18.20M | \$18.20M | \$0.00 | REGISTERED |
| <input type="checkbox"/> FY 2014 | 6 MODIFICATIONS | | | | | \$18.20M | \$18.20M | | |

Keys to DATA Act success

- **Non-proprietary, machine readable identifiers**
- **Unique identifiers for corporate parent *and* office/subsidiary**
- **Checkbook-level spending detail**
- **User-friendly, public-oriented website**
- ***Excellent management and oversight necessary to ensure timeliness, completeness, and accuracy of spending data***

Thank You
Comments and questions
welcome!

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