



Following the Money 2011

How the 50 States Rate in Providing
Online Access to Government Spending Data

Arizona PIRG
Education Fund

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Executive Summary

The ability to see how government uses the public purse is fundamental to democracy. Transparency in government spending checks corruption, bolsters public confidence, and promotes fiscal responsibility.

State governments across the country have been moving toward making their checkbooks transparent by creating online transparency portals—government-operated websites that allow visitors to see who receives state money and for what purposes. Forty states provide transparency websites that allow residents to access databases of government expenditures with “checkbook-level” detail.¹ Most of these websites are also searchable, making it easier for residents to follow the money and monitor government spending.

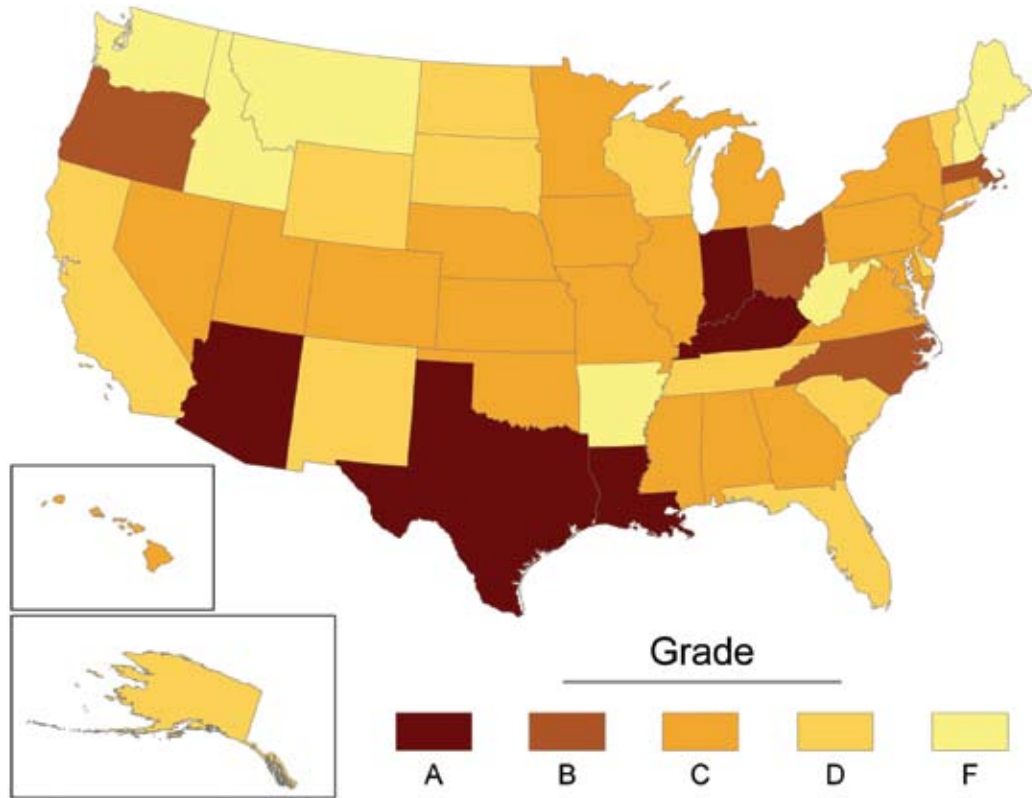
This report is U.S. PIRG Education Fund’s second annual ranking of states’ progress toward “Transparency 2.0”—a new standard of comprehensive, one-stop, one-click budget accountability and accessibility. (See Figure 1 and Table 1.) The past year has seen continued progress, with

new states providing online access to government spending information and several states pioneering new tools to further expand citizens’ access to spending information and engagement with government.

In 2010, at least 14 states either created new transparency websites or made significant improvements to sites already launched.

- Six states—Arizona, Indiana, Massachusetts, Michigan, New Hampshire, and Wisconsin—created new transparency portals in 2010. Highlights from the new websites include:
 - Arizona’s new website allows residents to monitor most state expenditures. The website is accessible both to researchers who know what they are looking for and non-technical citizens who are visiting the site for the first time.
 - Indiana’s new website is at the leading edge of Transparency 2.0, providing detailed information for

Figure 1: How the 50 States Rate in Providing Online Access to Government Spending Data



- residents to track many forms of government spending, revenue and performance.
 - Massachusetts’ new website sets a strong standard for presenting tax expenditures by displaying the cost and description of each tax expenditure program.
 - Many states over the past year notably improved their transparency websites. For example:
 - New Jersey and South Dakota upgraded their websites so they now provide checkbook-level detail, allowing visitors to track the payments made to specific vendors.
 - Louisiana made various improvements to its website over the past year, making it now among the nation’s best.
 - Oregon embedded data viewing tools into its website that allow users to search through financial data, download their search results, and create maps and charts.
- Forty states’ transparency websites now provide checkbook-level information on government spending.**
- Forty states allow residents to access checkbook-level information about government expenditures online. (See Figure 1 and Table 1.) The majority of

Transparency 2.0 Is Comprehensive, One-Stop, One-Click Budget Accountability and Accessibility

Transparency 1.0	Transparency 2.0
<p>Incomplete: Residents have access to only limited information about public expenditures. Information about contracts, subsidies, or tax expenditures is not disclosed online and often not collected at all.</p>	<p>Comprehensive: A user-friendly Web portal provides residents the ability to search detailed information about government contracts, spending, subsidies, and tax expenditures for all government entities.</p>
<p>Scattered: Determined residents who visit numerous agency websites or make public record requests may be able to gather information on government expenditures, including contracts, subsidies, and special tax breaks.</p>	<p>One-Stop: Residents can search all government expenditures on a single website.</p>
<p>Tool for Informed Insiders: Researchers who know what they are looking for and already understand the structure of government programs can dig through reports for data buried beneath layers of subcategories and jurisdictions.</p>	<p>One-Click Searchable: Residents can search data with a single query or browse common-sense categories. Residents can sort data on government spending by recipient, amount, legislative district, granting agency, purpose, or keyword. Residents can also download data to conduct detailed off-line analyses.</p>

Confirmation of Findings with State Officials

U.S. PIRG Education Fund researchers sent initial assessments to transparency website officials in all states and received feedback from such officials in 39 states to ensure that the information in this report is accurate and up-to-date. Website officials were given the opportunity to alert us to possible errors, clarify their on-line features, and discuss the challenges to achieving best practices. Their comments are discussed in the section entitled “State Officials Face Obstacles and Challenges in Operating Transparency Websites.”

these states (37) also enable residents to search for expenditures by vendor name or type of service purchased.

- Nine of these states are **“leading states”** in the transparency movement, hosting searchable, user-friendly websites that provide comprehensive information on a range of government expenditures. Most of these states provide detailed information on the grants and economic development incentives awarded to companies and organizations; all but one allow visitors to monitor the funds forgone every year through tax expenditures; and more than half provide complete copies of contracts.
- Thirty-one states are **“emerging states”** with transparency websites that provide less comprehensive information or, in some cases, are not easily searchable. Some of these states allow citizens to track trends in state spending over time and most of these states allow citizens to find out some details on specific state purchases from particular vendors.
- Ten other states are **“lagging states,”** whose online transparency efforts fail to meet the standards of Transparency 2.0.
 - Nine of these states have taken the positive step of creating spending transparency websites, but these sites lack many important Transparency 2.0 aspects, especially vendor-specific information on government spending.
 - One state does not host a government spending transparency website that is accessible to the public.

“Red” states and “Blue” states have both embraced spending transparency. The ranks of leading states are split roughly equally between those that voted Democratic in the last presidential election and those that voted Republican. In fact, the average score of Obama-voting states is almost exactly the same as that of McCain-voting states.

Many states are improving their websites beyond basic Transparency 2.0 standards, empowering residents to monitor government spending in unprecedented ways.

- *More powerful searches:* Maryland and New York have made tracking vendor-specific payments easier for residents so they can now easily search for the vendor’s location or the month the payment was awarded, or easily distinguish grants from contracts.
- *More sources of data:* Maryland, Ohio, and Virginia have posted new sets of fiscal data to their sites, such as data on state loans, bonded indebtedness, and registries of state property.
- *More ways to engage citizens:* States such as Utah and Texas have added tools to their websites to increase citizen involvement, such as providing a glossary of terms (empowering users with the knowledge to navigate complex financial terminology) and surveys on the site’s performance.

All states, including leading states, have many opportunities to improve their transparency websites.

- Most transparency websites do not provide detailed information on government contracts. Even some of the leading websites provide only a short description of the purpose of contracts.

- Only about half of the websites allow users to download datasets in formats such as Excel, enabling more detailed off-line analysis of government spending data.
- Only 26 states include spending data prior to Fiscal Year 2009.
- Only 14 states provide links to their tax expenditure reports.
- Only 14 states provide any information about local government spending.
- Only four states provide the most comprehensive level of information on grants and economic development incentives awarded to companies and organizations.

Table 1. How the 50 States Rate in Providing Online Access to Government Spending Data

STATE	GRADE	SCORE	STATE	GRADE	SCORE
Kentucky	A	96	Mississippi	C	70
Texas	A	96	Utah	C	70
Indiana	A-	93	Oklahoma	C-	66
Arizona	A-	92	Rhode Island	C-	66
Louisiana	A-	92	South Dakota	D+	63
Massachusetts	B+	87	California	D+	62
North Carolina	B	85	Delaware	D+	61
Ohio	B-	82	New Mexico	D+	61
Oregon	B-	82	South Carolina	D+	61
New Jersey	C+	78	Wisconsin	D+	61
Pennsylvania	C+	78	Florida	D	59
Virginia	C+	77	Vermont	D	55
Missouri	C+	76	Wyoming	D-	50
Alabama	C	74	Tennessee	D-	49
Georgia	C	74	Alaska	D-	47
Nevada	C	74	Connecticut	F	39
Illinois	C	73	Iowa	F	32
Kansas	C	73	Arkansas	F	28
Minnesota	C	73	West Virginia	F	28
New York	C	73	Washington	F	22
Hawaii	C	72	Montana	F	16
Maryland	C	71	New Hampshire	F	7
Nebraska	C	71	Idaho	F	6
Colorado	C	70	North Dakota	F	6
Michigan	C	70	Maine	F	0

In the next year, state governments across the country should strive to improve government transparency and accountability online. Leading states should advance the Transparency 2.0 movement by continuing to develop innovative functions that elevate transparency and citizen involvement. Emerging states should follow the example

of the leading transparency states by improving the search functions on their websites and increasing the amount of information available to the public. Lagging states need to join the ranks of Transparency 2.0 governments by establishing one-stop, one-click searchable websites that provide comprehensive information on government expenditures.

Introduction

Across America, states face excruciating choices forced by falling revenue from the economic downturn. From 2008 to 2010, state revenues declined almost 12 percent (\$78.5 billion).² In response, states—which are generally required to pass balanced budgets—have been forced to make major cuts in spending. According to the National Governors Association, states spent 6.8 percent less in 2010 than in 2009.³ At the beginning of 2011, state budget crises show no signs of abating. California, for example, furloughed most of the 230,000 employees in the state’s executive branch, and still faces a budget gap exceeding \$25 billion.⁴ To fix this, Governor Jerry Brown plans to lay off firefighters, reduce the pay of 63,000 state employees, and eventually cut jobs by 25 percent in some state departments.⁵

As states are forced to make difficult budgetary decisions in tough economic

times, it is even more important for the public to be able to understand how tax dollars are spent. Opening the government’s checkbook empowers citizens to involve themselves in budgetary debates and to act as watchdogs to ensure that the government spends money fairly and efficiently.

An overwhelming majority—91 percent—of Americans believe state officials have a responsibility to provide financial information to the public in a way that is understandable to average citizens.⁶ This is not some abstract desire. Polls indicate that thirty percent of the public have tried to search the Web for information about how their state government raises and spends taxpayer dollars.⁷

However, people often lack adequate information on state expenditures. According to the Association of Government

Accountants' 2010 report, 48 percent of people are either "not very satisfied" or "not at all satisfied" with the state government financial management information they receive.⁸

For citizens in a growing number of states, government spending transparency websites play a key role in closing this information gap. In 40 states, citizens have access to checkbook-level data on government expenditures, with citizens in most of those states able to access the information through a searchable database. (See Figure 2.) These states have come to define "Transparency 2.0"—a new standard of comprehensive, one-stop, one-click budget accountability and accessibility.

In the past year, many states made progress toward Transparency 2.0. Some states have launched completely new websites, and others have made improvements to existing sites. These changes—reviewed here in our second annual report on state government budget transparency—show that Transparency 2.0 is a growing movement that is picking up momentum across the country.

With greater spending transparency, states can better ensure that taxpayer funds are spent wisely. This report provides a benchmark of where each of the 50 states stands in that process and how they have improved over the course of the last year.

Figure 2: Example of a Checkbook-Level Website: North Carolina

Awards for Vendor Name Containing company			
Vendor	Award Amount	Award Date	Awarded Bid Summary
2010-11			
3M Company	\$712,676.25	01/26/2011	Type 1 Sheeting & Inks (Bid No. 201000215)
84 Lumber Company	\$27,653.00	07/15/2010	Treated Timber (Bid No. 201000943)
84 Lumber Company	\$34,540.96	08/13/2010	Treated Timber (Bid No. 201000999)
84 Lumber Company	\$41,532.00	11/10/2010	Treated Timber (Bid No. 201001323)
84 Lumber Company	\$16,367.00	08/13/2010	Treated Timber (Bid No. 54-TS-10897903-10898911)
84 Lumber Company, Eighty Four, PA	\$10,065.00	11/09/2010	Treated Timber (Bid No. 54-TS-10938695)
AGFA/Pitman Company	\$73,400.00	01/27/2011	Film Imager (Bid No. 55-011411)
ATLANTIC BEVERAGE COMPANY	\$37,013.76	01/20/2011	Canned Pears (Bid No. 201002074)
Albemarle Fence Company, Inc.	\$26,036.00	02/03/2011	VEHICULAR GATE (Bid No. 201100133)
Alfred Williams and Company	\$2,905,002.45	07/08/2010	Green Square Sustainable Office Furniture (Bid No. 200901515)
American Overseas Book Company	\$1,040.00	11/02/2010	Educational Material (Bid No. 42010654)

Transparency 2.0 Websites Empower Citizens to Track Government Spending

Government spending transparency websites that meet the standard of “Transparency 2.0” give citizens and government officials the ability to monitor many aspects of state spending—saving money, preventing corruption, and encouraging the achievement of a wide variety of public policy goals.

Transparency 2.0 Websites Give Users Detailed Information on Government Expenditures

Websites that meet Transparency 2.0 standards offer information on government expenditures that is comprehensive, one-stop, and one-click.

Comprehensive

Transparency websites in the leading states offer spending information that is both broad and detailed. In contrast to Transparency 1.0 states—which may offer only partial information about government contracts online—leading Transparency 2.0 states provide user-friendly searches of a comprehensive range of current and historical government expenditures, including detailed information about government contracts with private entities, subsidies, spending through the tax code, and transactions by quasi-public agencies.

- **Contracts with private companies:** Many government agencies spend well over half their budgets on outside contractors.⁹ These contractors are generally subject to fewer public accountability rules, such as sunshine laws, civil service reporting requirements, and freedom of information

laws. To monitor spending on contractors, it is important that states provide comprehensive online transparency and accountability for all contract spending.

- **Subsidies:** State and local governments allocate \$50 billion in subsidies each year, yet most governments still don't disclose full information about these expenditures.¹⁰ Unmeasured, the performance of these subsidies remains unmanaged and unaccountable. Subsidies take the form of grants, economic development incentives, and other spending through the tax code. Economic development incentives are subsidies given to companies, often in the form of tax credits, with the intention to create jobs and spur growth. Subsidies through the tax code—otherwise known as “tax expenditures”—appear in many forms, including special tax breaks, credits, and preferences. Tax expenditures have the same bottom-line effect on state budgets as direct state spending, since they must be offset by cuts to other programs or by raising other taxes. Once created, tax expenditures often escape oversight because they do not appear as state budget line items and rarely require legislative approval to renew. For these reasons, spending through the tax code is in particular need of disclosure. Leading states provide transparency and accountability for tax expenditures, usually by linking their transparency portal to a tax expenditure report, which is a detailed list of the state's tax credits, deductions and exemptions. Leading states list the companies or organizations that receive subsidies and explain what companies delivered for these subsidies.
- **Quasi-public agencies:** In recent years, quasi-public agencies have

been delivering a growing share of public functions.¹¹ Quasi-public agencies are independent government corporations that are created through enabling legislation to perform a particular service or a set of public functions. They operate on the federal, state, and local levels, providing services such as waste management, toll roads, water treatment, community development programs, and pension management. Quasi-public agencies have extraordinary control over their budgets and do not rely solely, or often even significantly, on an annual appropriation from the legislature. Their expenditures therefore fall outside the “official” state budget, so the public can only occasionally review their expenditures. A recent Massachusetts study, for instance, identified 42 such off-budget agencies in the state with annual revenues equal to roughly a third of the entire official state budget.¹² Leading states shed light on quasi-public agency expenditures by posting contracts entered into by “quasis” and giving detailed information on their spending.

One-Stop

Transparency websites in leading states offer a single, central website where citizens can search all government expenditures. With one-stop transparency, residents as well as local and state officials in these states can access comprehensive information on direct spending, contracts, tax expenditures, and other subsidies in a single location.

One-stop transparency is important for public oversight of subsidies. Subsidies come in a dizzying variation of forms—including direct cash transfers, loans, equity investments, contributions of property or infrastructure, reductions or deferrals of taxes or fees, guarantees of loans or leases,

and preferential use of government facilities—and are administered by a variety of government agencies.

Placing all data about government subsidies on a single website can uncover waste and highlight opportunities for savings. For example, when Minnesota began to require agencies to submit reports on the performance of subsidized projects, the reports revealed that numerous projects were receiving assistance from two or more funding sources—that is, Minnesota taxpayers were sometimes double- and triple-paying for the creation of the

same jobs. After the centralized publication of those reports, the double-dipping stopped.¹³

One-Click Searchable and Downloadable

Transparent information is only as useful as it is easily accessible, which means easily searchable. Transparency websites in the leading states offer a range of search and sort functions that allow residents to navigate complex expenditure data with a single click of the mouse. In Transparency 1.0 states, residents who don't already

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Scattered: Determined residents who visit numerous agency websites or make public record requests may be able to gather information on government expenditures, including contracts, subsidies, and special tax breaks.	One-Stop: Residents can search all government expenditures on a single website.
Tool for Informed Insiders: Researchers who know what they are looking for and already understand the structure of government programs can dig through reports for data buried beneath layers of subcategories and jurisdictions.	One-Click Searchable: Residents can search data with a single query or browse common-sense categories. Residents can sort data on government spending by recipient, amount, legislative district, granting agency, purpose, or keyword. Residents can also download data to conduct detailed off-line analyses.

know what they are searching for or where to look will tend to get stymied by inscrutable layers of subcategories, jurisdictions, and data that can't be readily compared. Transparency 2.0 states, by contrast, allow residents to browse information by recipient or category, and to make directed keyword and field searches.

Citizens who want to dig deeper into government spending typically need to download and analyze the data in a spreadsheet or other form. Downloading datasets can also give residents the ability to aggregate expenditures—for a particular company, agency or date, for instance—to see patterns or understand total spending amounts that might otherwise be lost in a sea of unrelated data.

Transparency 2.0 Makes Government More Effective and Accountable

States with good transparency websites have found that these sites result in a wide variety of benefits for state residents and the government. Transparency websites have helped governments find ways to save money and meet other public policy goals.

Transparency websites save money. Transparency 2.0 states tend to realize significant financial returns on their investment. The savings come from sources big and small—more efficient government administration, fewer information requests for staff, and more competitive bidding for public projects, to name just a few—and can add up to millions of dollars. The biggest savings may be the hardest to measure: the abuse or waste that doesn't happen because government officials, contractors and subsidy recipients know the public is looking over their shoulder.

Transparency websites often help states realize significant benefits by identifying and eliminating inefficient spending. In Texas, the Comptroller was able to utilize the transparency website in its first two years to save \$4.8 million.¹⁴ Once South Dakota's new transparency website was launched, an emboldened reporter requested additional information on subsidies that led legislators to save about \$19 million per year by eliminating redundancies in their economic development program.¹⁵

Transparency websites save states money by enabling them to renegotiate contracts. Aggregating and posting the information online helps identify opportunities to cut costs. For example, using its transparency website, Texas was able to renegotiate its copier machine lease to save \$33 million over three years. The state was also able to negotiate prison food contracts to save \$15.2 million.¹⁶

Transparency websites also save millions by reducing the number of costly information requests from residents, watchdog groups, government bodies, and companies:

- Massachusetts' procurement website has saved the state \$3 million by eliminating paper, postage, and printing costs associated with information requests by state agencies and paperwork from vendors. Massachusetts has saved money by reducing staff time for public record management, retention, provision, archiving, and document destruction.¹⁷
- The Utah State Office of Education and the Utah Tax Commission save about \$15,000 a year from reduced information requests. These are only two of the more than 300 government agencies in the state, suggesting that Utah's total savings are likely far greater.¹⁸

- According to RJ Shealy, Spokesperson for the South Carolina Comptroller General's Office, South Carolina has seen one-third as many open records requests as they had prior to the creation of its transparency website, significantly reducing staff time and saving an estimated tens of thousands of dollars.
- It is estimated that Kentucky's website will eliminate 40 percent of the administrative costs of procurement assistance requests, and could reduce the costs associated with Open Records requests by as much as 10 percent.¹⁹

Transparency websites also save states money by increasing the number of competing bidders for public projects. In 2009, Texas reported receiving lower bids for contracts after making contracting information available to the public.²⁰

Online transparency offers increased support for a range of other public policy goals, including promotion of community investment and affirmative action goals. Governments often stumble when trying to meet community investment and affirmative action goals because managers struggle to benchmark agencies, spread best practices, or identify contractors who advance these

Table 2: Cost to Create a Transparency Website²⁴

Entity	Website Cost
United States of America	Less than \$1 million
Alaska	\$15,000-\$25,000 from existing budget
California	\$21,000
Florida	Existing budget
Kansas	\$100,000 from existing budget
Kentucky	Funds from existing budget to develop, \$150,000 additional budgeted to implement
Louisiana	\$1,000,000
Maryland	Less than \$100,000
Missouri	\$293,140 from existing budget
Nebraska	\$38,000
Nevada	\$78,000
Oklahoma	\$8,000 plus existing staff time
Oregon	Existing budget
Pennsylvania	\$456,850
Rhode Island	Existing budget
South Carolina	\$310,000, from existing budget
Texas	\$310,000
Utah	\$192,800, plus existing staff time
Washington	\$300,000

goals. Online transparency portals allow states to better measure and manage the progress of such programs. For example, transparency websites allow agencies to identify minority- or woman-owned companies that have done business with other agencies across the state.

Online transparency costs little. The benefits of transparency websites have come with a surprisingly low price tag. The federal transparency website—which allows Americans to search through federal

spending totaling more than \$2 trillion a year—cost less than \$1 million to create. Missouri’s website—which is updated daily and allows its residents to search through state spending totaling over \$20 billion a year—was mandated by executive order and was created entirely with existing staff and revenues.²¹ Nebraska has spent \$38,000 for the first two phases of its website.²² Oklahoma’s Office of State Finance created its transparency website with \$40,000 from its existing budget.²³ (See Table 2.)

States Continued Progress Toward Transparency 2.0 in 2010

In 2010 many states took important steps toward improved spending transparency. Several joined the growing ranks of Transparency 2.0 states by launching new websites with checkbook-level detail on state spending. Others upgraded their existing websites to provide more information and be easier to use. And a few have gone beyond Transparency 2.0 by developing and implementing new online tools for citizen empowerment.

Six States Launched New Transparency Websites in 2010

In 2010, six states—Arizona, Indiana, Massachusetts, Michigan, New Hampshire and Wisconsin—created new transparency websites. Arizona and Indiana

launched checkbook-level, user-friendly, comprehensive sites, while Michigan and Wisconsin launched sites that provide checkbook-level detail, but still have much room for improvement. Massachusetts launched a fairly comprehensive website, but it is only partially complete, and New Hampshire launched a website that lacks most features of Transparency 2.0.

Arizona

In 2010, Arizona's Department of Administration created a new transparency website called OpenBooks. Before OpenBooks' launch, residents had to rely on a website called AZCheckbook, a Transparency 1.0 portal. Launched by former State Treasurer Dean Martin without an executive order or statute mandating its launch, AZCheckbook offers an array of brightly-colored pie charts and pop-up line graphs, but simply lists aggregate spending numbers for various government departments

and agencies. In comparison, the new website, OpenBooks, boosts Arizona's governmental transparency by displaying specific recipients of government spending. It is the official state transparency website, mandated by 2008 legislation, and is operated by the Arizona Department of Administration. OpenBooks allows residents to monitor most state expenditures at the checkbook level.

The Arizona Department of Administration designed the website to be accessible both to researchers who know what they are looking for and to non-technical citizens visiting the site for the first time. For example, researchers can locate specific payments using a twenty-two digit number called an Entity Transaction ID. Ordinary citizens can also browse state agency spending by contractor or activity. Visitors can also use the website to discover how much money the state pays out in tax exemptions, grants, and economic development incentives.

The state can still do more to shine light on its expenditures. While the website tracks subsidies in the form of grants

and tax credits—and in some cases shows the number of jobs and investments that companies are expected to deliver—many subsidy programs lack this detail and no information is provided on the amount of tax credits given to individual companies.²⁵ In 2011, the Department of Administration should upgrade the website to include information on past expenditures and information on local and county spending and budgets.

Indiana

Indiana's transparency portal is new, comprehensive, and easy to use. The website, launched in August 2010, shows that with a coordinated effort among various government agencies (in Indiana's case between the Auditor's office, the Office of Management and Budget, the Office of Technology, the Department of Administration, the Department of Local Government Finance, and others), a state can develop a Transparency 2.0 website that is high quality from the moment it launches.²⁶

The transparency portal is linked to the "State Contract Portal," which provides checkbook-level information on payments

Lack of Full Reporting on Indiana's Economic Development Incentives Leads to Apparent Misreporting of Job-Creation Numbers

Publicly posting fine-grained spending information has the added benefit of providing a reality check on official characterizations about program performance. In Indiana the transparency website posts the hoped-for results of the state's economic development incentives without posting the actual results. Official characterizations of the success of the state's economic development programs were challenged by a much-reported audit of the Indiana Economic Development Corporation (IEDC). The study examined 597 job-creation projects and revealed that only 38 percent of the jobs announced by IEDC were actually created.²⁷ The reason: many of the programs sponsored by IEDC either underperformed or never began in the first place. These problems could have been identified earlier if Indiana had posted the number of jobs actually created through economic development programs.

to specific vendors. In addition to allowing visitors to search for expenditures by the vendor or specific project, visitors can customize their search to look for expenses incurred over a particular period of time, in a specific geographic area, by a particular government agency, or of a certain amount. Once visitors have located a contract they are interested in, the portal allows them to open a PDF copy of the contract.

The “State Contract Portal” also allows visitors to search by the type of contract—such as license, grant, attorney fee, or procurement contract. This is a user-friendly feature unique to Indiana’s transparency portal. The avenues through which the government distributes funds are often convoluted and difficult for the average citizen to follow. This new feature empowers citizens to easily distinguish among a variety of government expenditures.

The transparency website also provides many tools and links that allow residents to monitor Indiana’s revenue, expenditures, and government performance. The portal provides a list of current Quantity Purchases Agreements, which are the prices under which vendors agree to supply goods and services to Indiana’s state agencies on an on-going, as-needed basis. Residents can also use the transparency portal to browse for information on revenue and how Indiana’s American Recovery and Reinvestment Act (ARRA) funds are distributed. The website provides information on government employees, so that interested residents can see how many government employees are in certain departments and how much they are being paid. Website users can also click on links to read financial reports, look up information on local government budgets, and track the government of Indiana’s performance based on tangible results.

Massachusetts

Massachusetts launched a new budget transparency website in the past year called Massachusetts Transparency. The administration has improved it steadily, but still has a long way to go.

Massachusetts’ Fiscal Year 2011 State Budget calls for the development of a comprehensive state budget and spending website coupled with improved transparency of transferable and refundable business tax credits. It also marks the first explicit mandate in the U.S. for inclusion of quasi-public agencies’ spending and revenue information.

The new features will eventually make Massachusetts’ site one of the nation’s most comprehensive transparency websites.

The tax expenditure budget linked at the Massachusetts transparency site sets a strong standard for presenting tax expenditures. The report includes all tax expenditures, along with the cost and description of each program, and includes historical information. The website includes a link to the easy-to-use American Recovery and Reinvestment Act (ARRA) website, which includes all ARRA spending and complete contracts for that spending. In addition, the Massachusetts website solicits feedback and provides instruction for the public on how to use and find information.

However, the information on detailed spending currently includes only data linked through the state’s Comm-PASS procurement website, which does not include all contracts with vendors. This is a temporary condition until the information is made more comprehensive and gets housed in the main transparency website, as mandated by the new law. The site needs to meet its mandate by including the tax credit incentives and quasi-public agency spending. It should also be organized in a more user-friendly manner for the public.

Michigan

Michigan's new transparency website embraces many aspects of Transparency 2.0, but falls short in important ways.

On the plus side, Michigan's site gives users information on payments to contractors, along with details on tax expenditures and limited information on the amount of funds spent by different government agencies. The site also includes user-friendly interactive applications that allow users to see where different state departments spend their money. Every department has a bar graph and pie chart breaking down its expenditures, and each segment of the pie chart can be broken down an additional layer to reveal greater detail.

However, Michigan's site falls short by requiring citizens who want to view an actual copy of the contract to cross reference between disconnected documents on the site.²⁸ In addition, the charting function uses vague category descriptions and fails to enable the user to drill down to see specific expenditures. For example, users can learn that the state paid \$306 million to companies for transportation projects, but cannot find out which rail lines or highways were built or repaired.²⁹

New Hampshire

New Hampshire's transparency website is a brand new addition to the online network of state transparency portals, but it lacks most features of Transparency 2.0. Launched in December 2010, the portal is designed to provide visitors with information on the state's budget, revenue, and expenses, but the information is limited and its expenses are not checkbook-level. Nowhere in the website, for example, can visitors find the government spending on specific transactions or vendors.

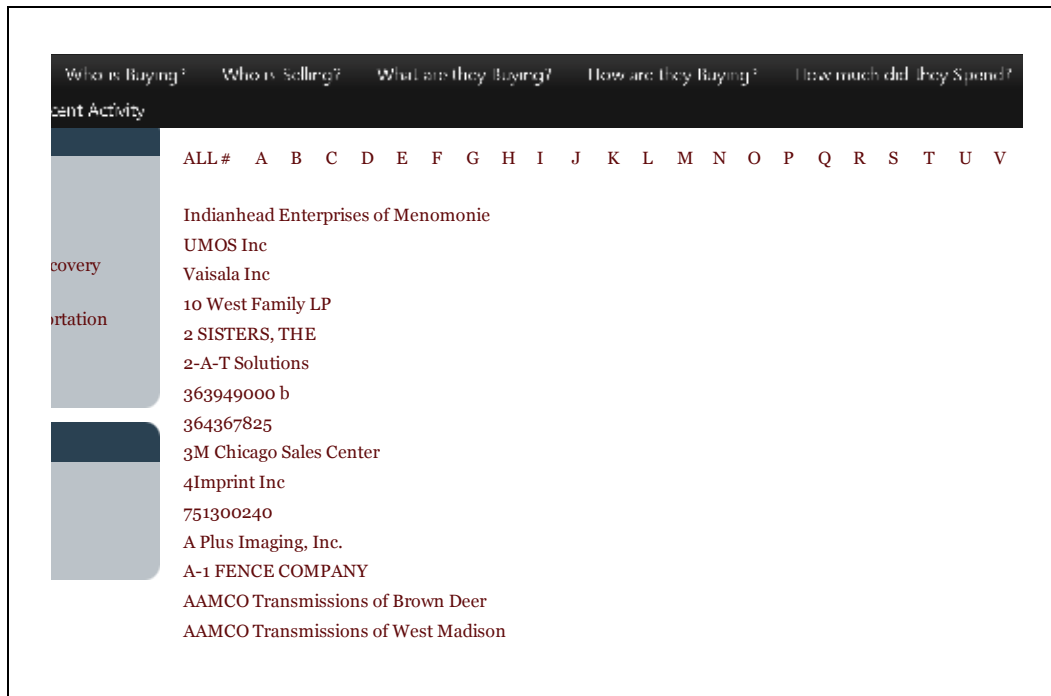
Wisconsin

Wisconsin's new transparency website, created in fall 2010, was improved near the year's end and now embraces the comprehensiveness of Transparency 2.0. Wisconsin has been improving its website over the course of several years, and now provides checkbook-level detail about state spending.³⁰ Visitors can now find information on the payments made to specific vendors through several easy-to-use search tools. (see Figure 3.)

The transparency website has a separate, new portal for contracts called "Contract Sunshine (beta)." Visitors can easily find information on specific payments made to individual vendors. In the contract portal, the search functions are intuitive and easy-to-use, and visitors can find information on payments made to vendors for specific services in certain years. The main transparency portal also allows users to learn about past contracts and grants, and links to websites that reveal campaign finance information and lobbying reports—excellent innovations that could someday be cross-referenced on a company-by-company basis.

The website still has much to improve upon. Although the contract portal is comprehensive and user-friendly, the main transparency portal remains difficult to navigate and archaic.³¹ The site still lists the improvements planned for years 2006 and 2007, and one button confusingly encourages users to "submit purchasing link or information," and then links to an e-mail address. Various other links do not work at all—visitors are unable to see websites like the Government Accountability Board's "Eye on Financial Relationships" page, which tracks the relationship between elected officials and companies.

Figure 3: Wisconsin’s Search Tools with “Who is Selling?” Selected



Several States Improved their Existing Websites

Several states have made significant improvements to their sites, allowing residents to better view how their state government manages the public purse. Even states with leading transparency websites last year—such as Kentucky and Texas—continued to make improvements that have resulted in their sites being among the nation’s best. The recent improvements made by Georgia, Louisiana, Maryland, Nevada, New Jersey, Oregon, South Dakota, and Utah—discussed below—are indicative of the many improvements states have made to transparency websites since the beginning of 2010.

Georgia

Georgia added a tool to its transparency site that allows residents to search expenditures by the type of good or service

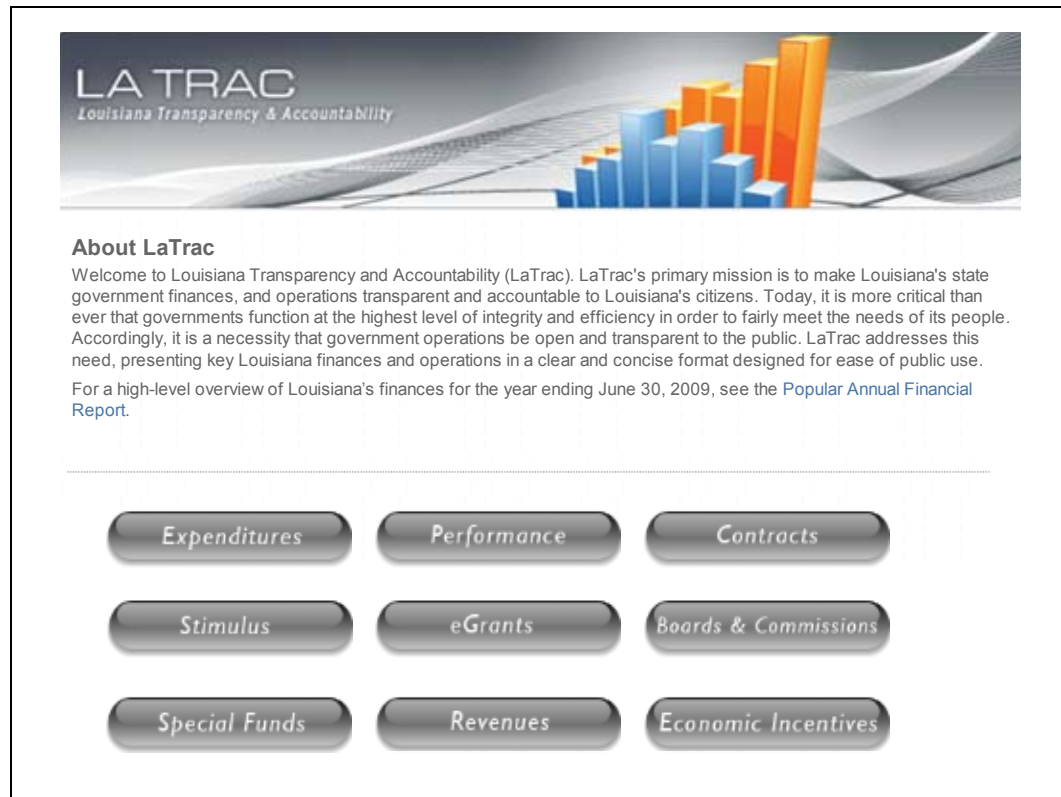
purchased. This is an important aspect of Transparency 2.0 because it shines a light on where citizens’ tax dollars are going.

Louisiana

Louisiana has gone from a state lacking in many features of Transparency 2.0 to a leader in the movement. Website visitors can now view information on expenditures not included in the official budget that would typically remain hidden from the public eye. For example, visitors can discover the amount of tax expenditures given to tobacco companies, beer companies, gas companies, and others. Visitors can also track government spending going back several years.

Louisiana has also made its website easier to use. Upon entering the site, visitors are presented with an easy-to-navigate template with nine separate buttons linking them to various functions. (See Figure 4.)

Figure 4: Louisiana's Easy-To-Navigate Template



Maryland

Since last year, Maryland added a feature allowing visitors to view all the grants awarded to companies and groups. Before this section was available, citizens had to sift through the Department of Budget and Management's website to find information on economic development incentives. Now, Maryland's new "Grants" section provides visitors with detailed descriptions of each economic development incentive. This adds a high level of transparency to how taxpayers' dollars are spent.

Nevada

In the past year, Nevada upgraded its transparency website so that visitors can find contracts dating back to 2006. (See Figure 5.) For Nevada, this is important progress toward Transparency 2.0 because

in order to hold contractors and state bureaus completely accountable, residents must be able to view the historical financial relationships between companies and the state. By posting transactions that date back to 2006, the state enabled residents to track trends in state spending and contract awards over time.

New Jersey

In the past year, New Jersey upgraded its transparency website so that it is now check-book-level, allowing visitors to track the payments made to individual vendors. (See Figure 6.) Last year, the transparency portal only provided visitors with limited information such as aggregate spending numbers for departments and agencies. Visitors can now track specific amounts paid to general contractors, subcontractors, consultants, and

Figure 5: Nevada's Site Now Allows Users Find Contracts Dating Back to 2006.

Nevada Open Government State of Nevada Governor Brian Sandoval Controller's Office Department of A

Statewide Expenditure Summary by Vendor

This is a more detailed view of a portion of the State of Nevada's actual Expenditures. The settings below show exactly which Expenditure data is being displayed. You can click on any row to drill further into the data, or you can select one of the view options at the right, to return to a top-level summary view.

Fiscal Year: 2006
 Vendor: Search for - Contains COMPANY
 New Vendor Search

Code	Vendor	FY 2006	% of Tot
T81074191	NEVADA POWER COMPANY	30,293,021.98	26.22
T81104801B	SIERRA PACIFIC POWER COMPANY DBA NV ENERGY	15,728,974.78	13.61
T80984703	FIRST AMERICAN TITLE COMPANY OF NEVADA	9,075,432.81	7.85
T29000017	STANDARD INSURANCE COMPANY	5,994,395.95	5.19
T81106788	BP ENERGY COMPANY	5,226,841.25	4.52
T81106260	NEVADA POWER COMPANY ENERGY ASSISTANCE STATION 6	4,111,791.70	3.56
T81106774	PUBLIC SERVICE COMPANY OF COLORADO	3,700,200.00	3.20
T81104801A	NEVADA POWER COMPANY	2,939,141.76	2.54
T81104801C	NEVADA POWER COMPANY ENERGY ASSISTANCE STATION 18	2,903,586.95	2.51
T81004896C	WESTERN TITLE COMPANY INC	2,702,539.60	2.34
T80021290	REBEL OIL COMPANY INC	2,514,510.81	2.18

Figure 6: New Jersey's Site Allows Visitors to See the Payments Made to Individual Vendors

NJ Financial Reporting As of September 30, 2010

State Current Year Purchasing Summary By Vendor By Fiscal Year

Reset the Search Search

Type in a Vendor's Name and click the Search button to locate specific Vendors

Vendor's Name

YTD Total Between \$ -999999999 And \$ 999999999

HINT: Enter a whole number - no \$, commas, or decimal point

Vendor	YTD Total
MOLINA INFORMATION SYSTEMS LLC	\$52,095,203.00
HONEYWELL INTERNATIONAL	\$48,515,713.00
EASTER SEALS SOCIETY OF NJ ESSEX HOUSING PROGRAM	\$42,451,390.00
ENERGY SOLVE LLC	\$32,058,751.00
ADVOSERV OF NEW JERSEY INC	\$22,377,726.00
TRC ENVIRONMENTAL CORPORATION	\$21,814,970.00
DEVEREUX FOUNDATION	\$19,643,208.00
DELL MARKETING LP	\$19,517,369.00
WOOD SERVICES INC	\$18,600,000.00
VERIZON NEW JERSEY	\$17,192,816.00
IBM CORPORATION ACCOUNTS RECEIVABLE	\$16,329,334.00

many other business entities, all the way back to 2004. New Jersey has also joined several other leaders in transparency by providing visitors with a link to its tax expenditure report, which did not exist before 2009.

Oregon

Oregon's transparency website was improved dramatically by embedding data-viewing tools created for Oregon's data.oregon.gov project. With these new tools, website users no longer need to download the entire spreadsheet of all state agency spending to perform analysis. The tools allow users to search the data, download their search results, and create maps and charts from the data. The website was also upgraded in 2010 by providing users with contact information for members of the Transparency Oregon Advisory Commission and audio archives of commission meetings.

Oregon continues to have room for improvement in providing a full picture of the state's spending. The website has yet to include checkbook-level spending by local governments or quasi-public agencies in the state. Legislation has been proposed in the 2011 session to include details of recipients and results of economic development tax expenditures on the transparency

site. In addition, the website still does not include full details of state contracts.

South Dakota

In the past year South Dakota upgraded its transparency website so that it now provides checkbook-level detail, allowing visitors to track the payments made to individual vendors. Previously, the scope of the transparency portal was limited, as it only allowed users to view the aggregate spending numbers for departments and agencies. South Dakota also now posts copies of all contracts for supplies, services, and professional services received by the state.

Utah

In the past year, Utah upgraded its transparency site to provide citizens with a wealth of information on government spending. By using the transparency site, citizens can now read up on the payments made to vendors and view copies of some contracts. They can learn the good or service purchased, which government agency funded the project, and many other useful pieces of information that help citizens track Utah's spending.

Making the Grade: Scoring State-Level Progress Toward Transparency 2.0

In the past year, states across the nation have made significant progress in reporting and accountability in government spending. From Arizona to New Jersey, states have improved their transparency websites to allow citizens to view checkbook-level data on government expenditures quickly and easily.

In order to assess states' progress toward the standards of Transparency 2.0, each state's transparency website was analyzed and assigned a grade based on its searchability and breadth of information provided. (See Appendix A for the complete scorecard and Appendix B for an explanation of the methodology.) An initial inventory of each state's website was then sent to the administrative offices believed to be responsible for operating each state's website. Officials from 39 states responded, clarifying information about their websites. In some cases, the researchers used

the state comments to adjust and fine-tune states' grades.

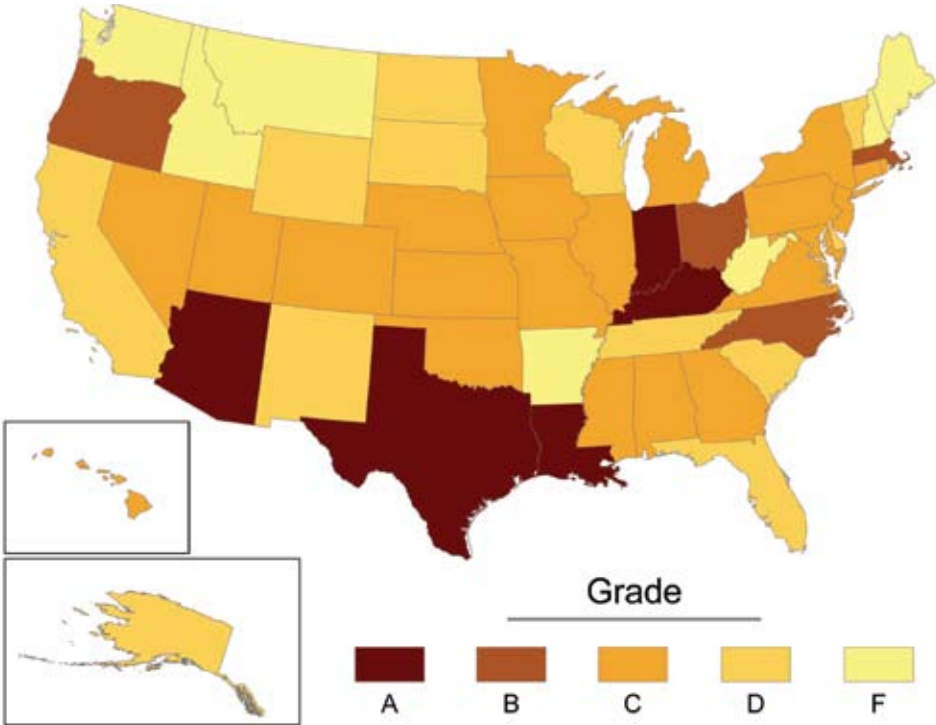
Based on the grades assigned to each website, states can be broken into three categories: leading states, emerging states, and lagging states. (See Table 3 and Figure 7.)

As was the case last year, spending transparency does not reflect differences between "Red" states and "Blue" states. The average score for a Democratic-leaning state (determined by Presidential vote in 2008) was 61.3 while that of a Republican-leaning state was 61.0, a difference of less than half a single point. Furthermore, of the nine states leading the way in transparency efforts nationwide, five were won by President Obama in the 2008 election and four were won by Senator McCain. Similarly, among the nine states considered "lagging states" because of the failing grade that they received, five were won by

Table 3: Leading, Emerging, and Lagging States

Category	Grade	States
Leading States	A	Kentucky, Texas
	A-	Arizona, Indiana, Louisiana
	B+	Massachusetts
	B	North Carolina
	B-	Ohio, Oregon
Emerging States	C+	Missouri, New Jersey, Pennsylvania, Virginia
	C	Alabama, Colorado, Georgia, Hawaii, Illinois, Kansas, Maryland, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New York, Utah
	C-	Oklahoma, Rhode Island
	D+	California, Delaware, New Mexico, South Carolina, South Dakota, Wisconsin
	D	Florida, Vermont
	D-	Alaska, Tennessee, Wyoming
Lagging States	F	Arkansas, Connecticut, Idaho, Iowa, Maine, Montana, New Hampshire, North Dakota, Washington, West Virginia

Figure 7: How the 50 States Rate in Providing Online Access to Government Spending Data



Changes to the Grading Criteria from 2010

Reflecting rising standards for government transparency, the grading criteria changed slightly from the 2010 *Following the Money* report, resulting in changes in grades for some websites whose content has not changed since 2010.³² For example, Illinois' score fell significantly due to more rigorous scoring criteria and no significant improvements on the state's transparency website. By improving its online transparency reporting, Kentucky remained a top-scoring state; but the more stringent criteria nonetheless led to a one-point reduction in its score. Changes in the criteria were:

- Two new grading criteria were added, one for enabling users to download data on payments made to vendors, and another for providing tools inviting visitors to give feedback on the website and its content.
- In order to provide more fine-tuned grading, state websites were credited for providing descriptions about specific payments. This is a departure from last year, when sites were not awarded any points for having such brief descriptions. Recognizing gradual steps toward Transparency 2.0 practices, states were given more points for providing more complete information.
- States were awarded points for providing information on tax expenditures only if their transparency website was linked to their tax expenditure report. Tax expenditure reports, now provided by at least 42 states, have become the new standard for measuring funds spent on tax exemptions and preferences.³³ Tax expenditure transparency was graded on a graduated scale that reflects differences in the comprehensiveness and detail of that reporting.
- Because of heightened standards, states were awarded fewer points for merely providing the dollar amounts of grants and individual economic development subsidies without also providing information about their intended benefits and the delivered results.

Along with the new grading criteria, this year's report also differs from last year's in that it evaluates a broader—but more precisely defined—universe of websites that provide government financial information to the public. In most states there is a clearly designated central transparency site, which we used for evaluation by default. For states without a transparency website, we based scoring on the state's procurement website. Thus, the procurement websites belonging to Arkansas, Connecticut, Hawaii, Iowa, Maine, Montana, North Dakota, Pennsylvania, and West Virginia were evaluated in this year's report card.³⁴ Procurement sites typically provide some publicly available contracting information, even if they are designed primarily to solicit bids from vendors rather than to provide information to the public. Intrepid citizens can sometimes find checkbook-level detail on these sites. Procurement sites tended not to be user-friendly, and that is reflected in the scoring. In the case of Vermont, public officials directed us to a separate Department of Finance and Management website as the portal with the most transparency features. That site was the basis for Vermont's scoring.

President Obama in the 2008 election and four were won by Senator McCain.

The following sections summarize common traits shared by the states in each of these categories to highlight their strengths and weaknesses.

Leading States

Nine states have set the standard for spending transparency by establishing user-friendly portals that contain comprehensive information on government expenditures. Citizens and watchdog groups can use the sites to monitor government spending quickly and easily. All of the sites are searchable by the vendor's name and type of service purchased, most of the sites provide comprehensive information on grants and economic development incentives, and more than half of these sites provide complete copies of vendor contracts.

Over the past year, four states—Arizona, Indiana, Louisiana, and Texas—have created or improved their websites to now earn As. These states, along with Kentucky, whose transparency website topped our ratings in 2010, are true leaders in the Transparency 2.0 movement. Arizona and Indiana launched brand-new comprehensive websites. Louisiana made major improvements to its old site by adding details about past contracts, a link to its tax expenditure report, and information about economic development incentives. Texas made a few significant changes, such as allowing visitors to view actual copies of contracts made with vendors.

Among the most distinctive features of the leading transparency websites are the breadth and level of detail of the information they contain. For example, five of the

states—Texas, Kentucky, Indiana, Arizona, and Ohio—provide copies of vendor contracts in their entirety, and the rest provide some degree of information about the goods or services received by the state in particular transactions.

Another feature of these sites is their ease of use. Each of the sites provides tools that allow users to make targeted searches and to sort the data. For example, Indiana's site allows visitors to specify the types of payments made to vendors (e.g. "Grant," "Lease," "Professional/Personal Services," "Contracts or procured service") in addition to the typical search box for keywords. Louisiana's site has separate search sections for contracts, grants, and economic incentives.

Even though these states have the best Transparency 2.0 practices, they still have room for improvement. One-third of the "leading state" sites do not allow users to download datasets of information with vendor-specific information, making it difficult for citizens to uncover total government expenditures received by certain companies or government spending over a certain period of time. Also, only four of these leading states—Indiana, Massachusetts, North Carolina, and Texas—provide financial information on local governments.

Emerging States

The websites of "emerging states" provide checkbook-level detail on government expenditures, but they are less searchable and lack the breadth and depth of information that characterizes the sites of leading states. Only four of the 31 "emerging states," for example, provide copies of all vendor contracts. Only six states provide links to their tax expenditure reports,

Table 4: Top 10 Biggest Improvements in Transparency Websites – From 2010 to 2011

Several states dramatically improved their online budget transparency in the past year. The states with the largest gains made major improvements to their existing transparency portals. Out of all states with websites last year, these are states that made the largest improvements:

State	Score in Following the Money 2011	Score in Following the Money 2010	Improvement in Annual Score
Arizona	92	12	80
New Jersey	78	25	53
South Dakota	63	25	38
Louisiana	92	67	25
Oregon	82	59	23
Georgia	74	52	22
Nebraska	71	56	15
Texas	96	82	14
North Carolina	85	74	11
California	62	53	9

Note: States included in the table do not include states that were scored this year based on their procurement website because these websites were treated differently in the previous report.

making it difficult for residents to use their state’s transparency portal to track all forms of government spending.

The states in the “C” range, however, are well on their way to making their websites easy to use. Out of the 20 “C” state websites, 17 are searchable by both vendor name and type of activity and 16 provide a direct link from their site to their state’s webpage on American Recovery and Reinvestment Act funds.

Many states that garnered failing scores

last year made recent improvements to their sites or launched new ones to earn “Cs” or “Ds.” Last year, New Jersey’s and South Dakota’s transparency portals provided only aggregate spending numbers for departments and agencies. Over the past year, New Jersey and South Dakota upgraded their websites to “C+” and “D+” quality, respectively, and now users can view payments made to specific vendors. Michigan and Wisconsin, which did not have transparency websites last year, recently created their websites, and now earn a “C” and “D+,” respectively.

Lagging States

Finally, ten states lag behind the transparency movement and have only taken small steps toward improving government accountability. In the past year, the states in this category have not established transparency websites, have not made their procurement sites accessible to the public, or have maintained sites that do not include checkbook-level detail on government expenditures.

Most lagging states have launched transparency or procurement websites that provide either limited or superficial information about government expenditures. On New Hampshire's site, visitors can view aggregate expenditures for government functions (such as "transportation") and the salaries of state employees, but not individual payments to vendors. Arkansas,

Montana, and other lagging states, provide visitors access to term contracts or purchasing orders, which establish a set price at which the government can buy a specific good or service. Visitors cannot find out how much money the government has paid to a specific vendor or what services were contracted. For example, a term contract or purchase order will give the cost of a box of photocopy paper, but not how many boxes the state purchased.

Maine's website is the only procurement or transparency website that is not accessible to the public. Since visitors must be registered as vendors to access the website, citizens and government officials cannot use the site as a tool in monitoring government spending. Maine's site was not considered eligible for scoring in the analysis because it is not open to the general public.

Many States Have Improved their Websites Beyond Basic Transparency 2.0 Standards

Many states go above and beyond simply providing checkbook-level information on government spending. They have developed new tools and posted new sets of information on government expenditures, giving residents unprecedented ability to monitor how their government allocates resources.

Innovative States Have Developed Best Practices for Providing Vendor-Specific Payment Information

More and more transparency websites are adopting easy-to-use tools for tracking payments made to vendors. In the past, users would be stymied by archaic search methods and limited information on vendors

and payments. But as more and more websites make the shift to Transparency 2.0, they are adding search and sort tools that make their sites easier to navigate.

On North Carolina's site, in addition to being able to search by vendor name and keyword, users can also search by the vendor's location, allowing citizens to see how government spending is being distributed geographically. On Alabama's site, users can search by the month the payment was awarded.

One user-friendly way to search for a payment is by typing the vendor's name into a search box. More and more states are adding search boxes to their transparency websites. New Jersey enables users to type in the name or part of the name of any contractor, subcontractor, consultant, person, firm, corporation, or organization receiving a payment from the state. The

site will display the amount paid to any vendors who match the query. This is helpful because users may not know exactly what they are looking for or the exact name of a contractor. In this respect, websites like New Jersey's are much better than websites such as Colorado's, in which users must search for vendors by selecting the first and second character of the vendor's name from scroll down menus.

Some transparency portals have added tools to allow users to easily differentiate grants from vendor contracts. Most websites accomplish this by adding a separate search function for grants. In the past, users would have to find the details for a specific payment (through a vendor search) to figure out whether each payment was actually a grant. For example, on Rhode Island's site users can only learn that the payment is a grant from

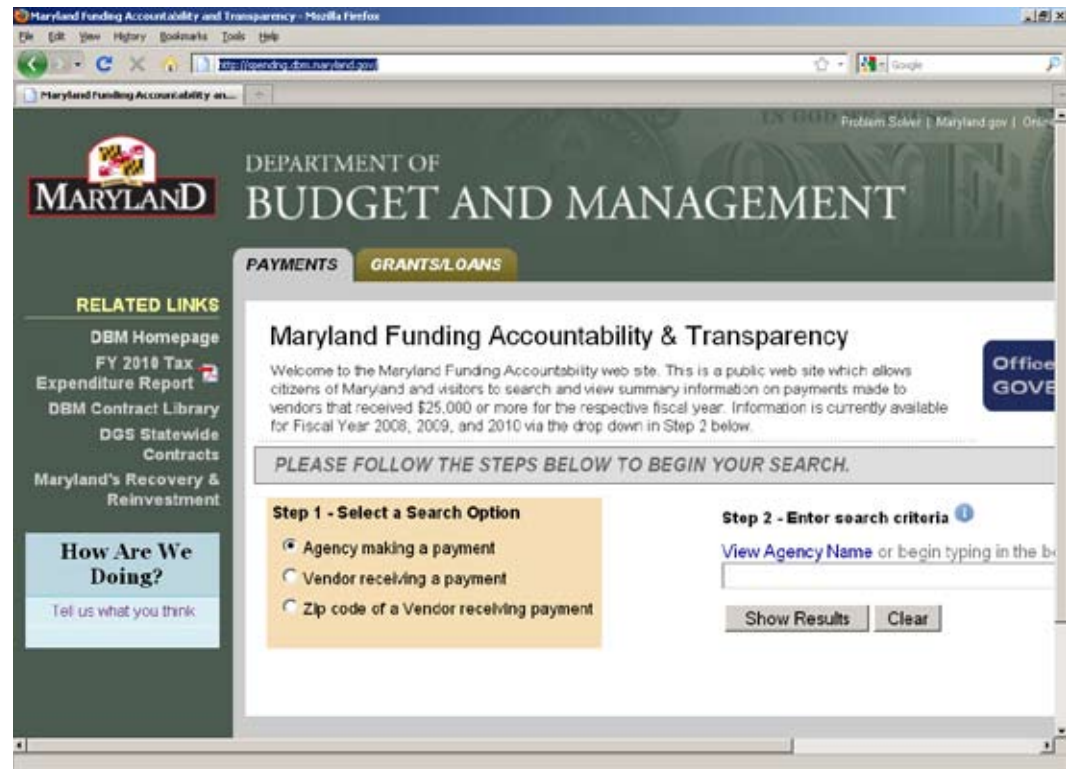
the description box once a search has been queried. Visitors to Maryland's transparency website now have the option of searching for "payments" or "grants" from the portal's main page, and visitors to New York's site can search for a specific kind of "contract" such as for commodities, equipment, grants, etc. (See Figures 8A and 8B.)

Innovative States Have Created New Datasets and Tools

Many states have developed new tools and posted new datasets for their transparency websites. For instance:

- **State loans:** Some states provide users with information on loans the state has

Figure 8A: Maryland's "Payments" Portal



given out. On Maryland's site, for example, visitors can learn which government departments gave certain kinds of loans to specific companies.

- State revenue:** Some states provide information on state revenue. At a basic level, Indiana, for instance, allows visitors to learn how much revenue comes from different taxes—sales tax, individual income tax, corporate income tax, etc. Other states have gone further by providing visitors with a wealth of ways to digest revenue information. New Jersey's site, for example, allows visitors to uncover how specific agencies receive their revenue. Visitors can, for instance, learn that the Environmental Protection Agency has collected \$8,013.66 through the Lake Restoration Fund.
- Bonded indebtedness:** Some states have taken the beneficial step of posting information on the debt the state has accrued by selling bonds. A portion of Virginia's website is dedicated to specific bonds sold by the state. Users can see the amount of the bonds, the interest owed, and how far along the state is to paying off its debt. (See Figure 9.) This feature would be especially valuable if applied also to a state's quasi-public agencies, which often issue large quantities of technically "off-budget" debt paid for by fees.
- State property:** Some states post information on government-owned land. This boosts government accountability because it allows residents to better tally their government's assets. It also allows officials and residents to figure out which parcels of government-owned

Figure 8B: Maryland's "Grants" Portal

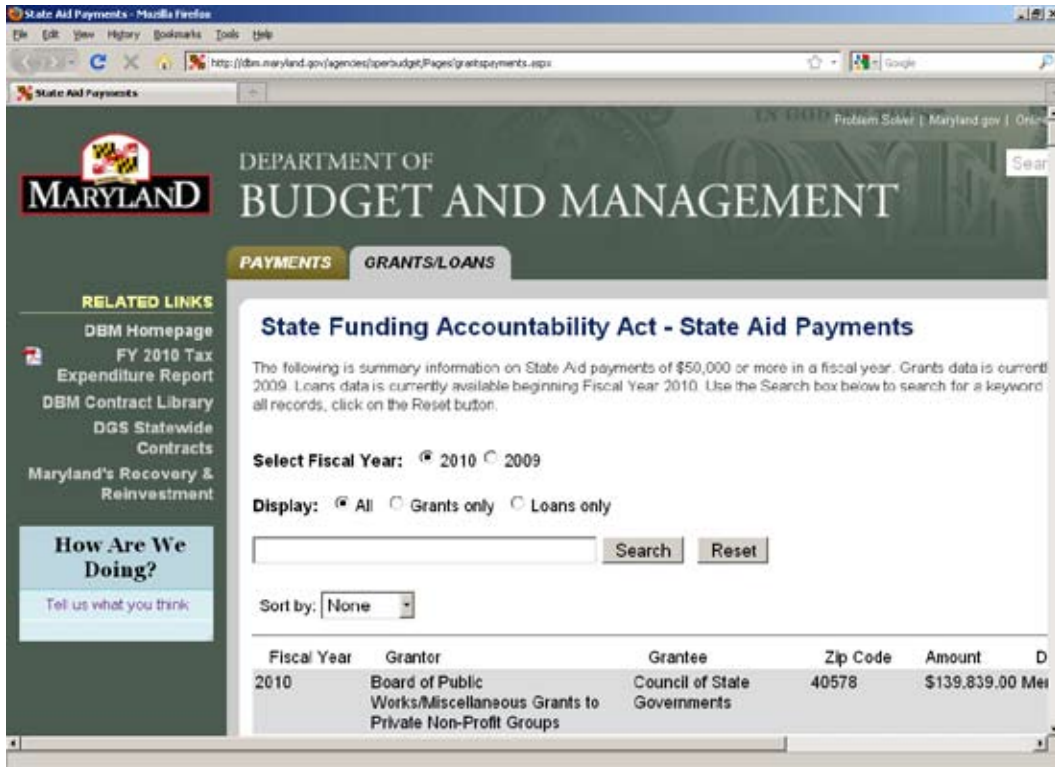


Figure 9: Virginia's Website on Bonded Indebtedness



Bonded Indebtedness (as of 06/30/2010)

Note: The categories below are defined in the Commonwealth's [Comprehensive Annual Financial Report](#).

Primary Government

Type	Amount Issued*	Principal Paid	Interest Paid	Principal Due	Interest Due
9(b) Transportation Facilities Bonds	\$ 40,370,000	\$ 34,360,000	\$ 9,267,075	\$ 6,010,000	\$ 300,500
9(c) Transportation Facilities Bonds	\$ 31,880,000	\$ 4,220,000	\$ 5,749,325	\$ 27,660,000	\$ 7,437,850
9(d) Transportation Facilities Debt	\$ 2,835,968,667	\$ 976,805,000	\$ 590,616,426	\$ 1,758,373,667	\$ 728,060,671
Fairfax County Economic Development Authority	\$ 96,515,000	\$ 10,050,000	\$ 18,499,851	\$ 86,465,000	\$ 38,788,113
9(b) Public Facilities Bonds	\$ 1,327,147,849	\$ 378,084,291	\$ 192,222,971	\$ 949,063,558	\$ 347,461,382
9(c) Parking Facilities Bonds	\$ 27,356,854	\$ 8,501,659	\$ 3,109,187	\$ 18,855,196	\$ 9,544,083
9(d) Virginia Public Building Authority Bonds	\$ 2,802,710,000	\$ 616,345,000	\$ 398,536,607	\$ 2,186,365,000	\$ 847,103,358
Regional Jails Financing	\$ 32,908,044	\$ 26,463,204	\$ 16,917,469	\$ 6,444,840	\$ 1,653,323
Newport News Industrial Development Authority	\$ 42,490,000	\$ 37,340,000	\$ 13,268,185	\$ 5,150,000	\$ 141,625

Component Units

Type	Amount Issued*	Principal Paid	Interest Paid	Principal Due	Interest Due	Notes
9(c) Higher Education Institution Bonds	\$ 850,127,338	\$ 237,123,091	\$ 126,176,632	\$ 611,353,245	\$ 284,374,724	A
9(d) Higher Education Institution Bonds	\$ 188,411,000	\$ 59,356,155	\$ 49,208,264	\$ 1,324,730,202	\$ 973,688,663	A, B
9(d) Virginia College Building Authority Bonds	\$ 2,267,830,000	\$ 666,650,000	\$ 188,195,167	\$ 1,601,180,000	\$ 679,702,991	C
Foundations' Bonds				\$ 849,358,828		
9(d) Innovative Technology Authority Bonds	\$ 12,455,000	\$ 7,975,000	\$ 9,217,744	\$ 4,480,000	\$ 867,808	
9(d) Virginia Port Authority Debt	\$ 504,770,000	\$ 32,985,000	\$ 106,932,149	\$ 471,785,000	\$ 340,482,732	
9(d) Virginia Housing Development Authority Bonds				\$ 6,715,618,807	\$ 4,509,592,531	
9(d) Virginia Resources Authority Bonds				\$ 2,525,221,450	\$ 1,386,156,088	
9(d) Virginia Public School Authority Bonds	\$ 5,059,502,063	\$ 1,863,300,000	\$ 935,408,001	\$ 3,196,202,063	\$ 1,267,025,733	
Hampton Roads Sanitation District Commission				\$ 547,318,000	\$ 424,942,000	
Virginia Biotech Research Authority				\$ 43,480,000	\$ 13,126,753	

Kentucky: Pushing the Transparency Frontier

For the second year in a row, Kentucky has been at the leading edge of Transparency 2.0. Last year, Kentucky's website was the most comprehensive and user-friendly, displaying a plethora of easily-digestible information. In last year's report, Kentucky was the only state to receive an 'A,' and was 11 points ahead of the 2010 runner-up, Ohio.

Over the past year, Kentucky has taken strides to remain at the head of the pack. The website now posts a database of government-owned land parcels, customizable GIS maps for demographic data, and salary information for every government employee. Kentucky has also reconfigured some aspects of its site to make important sets of information more accessible. For example, Kentucky made its tax expenditure reports more prominent, allowing users to more easily uncover the amount of government funds lost to credits, exemptions, and other spending through the tax code.

land are unused, so they can then be turned into social assets such as parks or community centers. Kentucky’s website lists the address and purpose of government-owned parcels of land, but can be improved by listing their acreage. Ohio’s website lists the acreage of its parcels, but it can be improved by listing all addresses and providing explanations of their use (many parcels merely list as their usage: “State of Ohio”).

- **State employee compensation:** Some states, such as Illinois and Tennessee, allow users to search for a state employee’s salary by his or her name, job title, or department. Tennessee is at the leading edge of this feature because its site allows users to uncover the top-compensated employees in particular departments or agencies.

- **Glossary of terms:** Some states strive to make their sites more accessible to the general public by providing a glossary of terms that allows users to navigate the often complex terminology of public finance. Virginia, Rhode Island, Utah, and Texas all post glossaries on their sites, while Rhode Island provides users with a comprehensive “User’s Manual” for operating its site.
- **Surveys:** Some states have taken citizens’ involvement in their transparency websites to a new level by asking visitors to fill out a survey of their site. While most states ask for feedback with a request (for example, “We welcome your feedback”) or a button, a few states such as Texas and Minnesota ask for feedback with a user-friendly survey. (See Figure 10.) Surveys encourage users to provide feedback and

Figure 10: Texas’ Transparency Website’s Survey

4. Please describe your experience with using the search tools during this visit:

Very easy to use

Easy to use

No opinion

Difficult to use*

Could not use*

Did not use

*Please provide feedback on any trouble you had using the tools and/or any suggestions:

5. Optional: Please provide a short description of how you plan to use the information you found on the Texas Transparency site or how you have used this information in the past.

6. Please provide any additional feedback or comments you may have about the Texas Transparency site and the state spending information it provides.

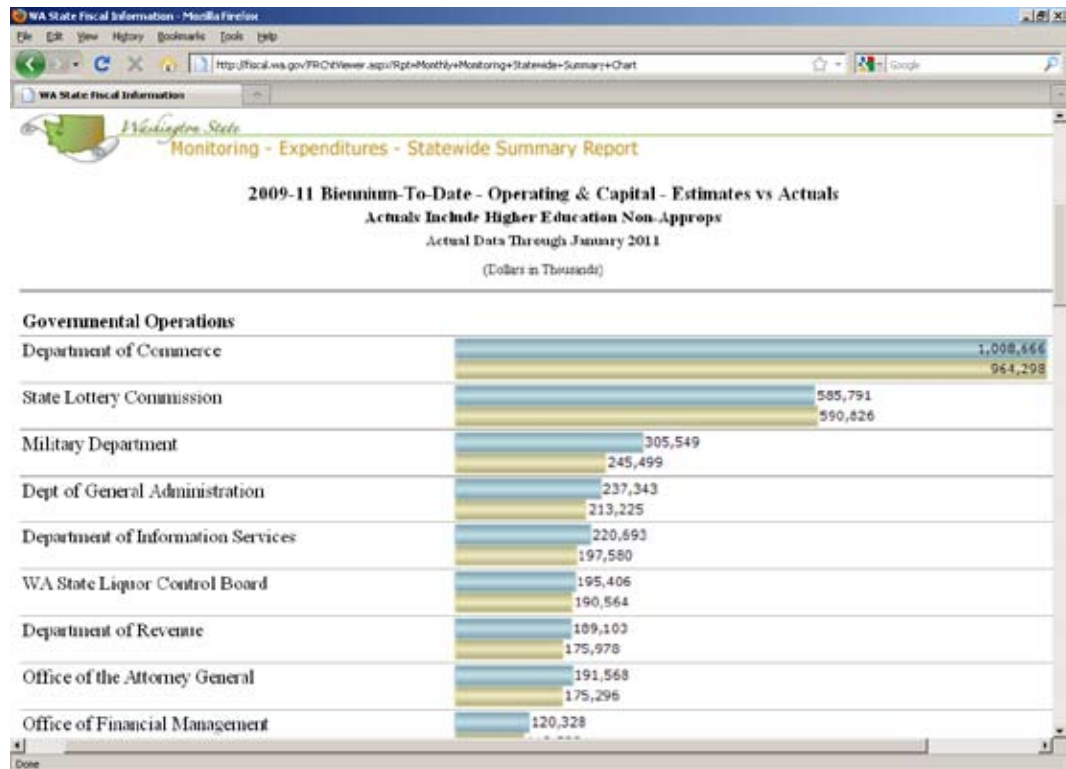
allow states to specify the kind of feedback they want toward making specific changes to their website.

- Watchdog-friendly applications:** Some forward-looking states invite watchdog groups and other citizens to report on abuses of power and waste. Linked to its transparency site, California's new Waste Watchers website asks for citizens to report places they see improper spending. Since its launch in 2010, suggestions made by citizens on Waste Watchers have saved the state \$28 million.³⁵ Once the state corrects its spending, Waste Watchers will post detailed and easy-to-understand explanations of the savings. For example, under the Department of Toxic Substances Control: "After receiving a Waste Watchers complaint that state-issued cell phones were being

underutilized, the service plans for 190 mobile phones were terminated. Estimated savings is \$7,670.00 per month."³⁶

- Size of government:** Washington allows residents to learn the ways their government has grown or contracted over time. The website presents program and agency spending totals dating back to 1999, so residents can see how much various agencies or programs (e.g., Washington State University, the entire transportation program) have spent year to year.
- Agency and program accountability:** Washington empowers residents to hold government agencies and programs accountable for their spending. On Washington's website is a tool that compares Washington agencies and

Figure 11: Washington's Agency and Program Accountability Application



programs' estimated spending and their actual spending. With an intuitive drilldown feature, visitors can view the estimated vs. actual spending for big agencies, such as the Department of Social & Health Services, and small programs such as the library system at the University of Washington. Visitors can also view which government

coffers (for example, Federal General Fund, State Toxics Control Account, etc.) supplied the funds. If an agency or program spends more or less than projected, visitors can then see where the over-spending or under-spending came from (salaries, travel expenses, goods and services procurement). (See Figure 11.)

State Officials Face Obstacles and Challenges in Operating Transparency Websites

The researchers of this report surveyed officials from the 50 states asking them to identify the biggest obstacles and challenges that they faced in introducing transparency in their state. The barriers mentioned to implementing transparency ranged from antiquated technological systems to the simple lack of adequate resources and funding.

The most commonly mentioned challenge for states to overcome in developing and implementing transparency websites is a lack of funding for transparency projects. Even among the states that had already developed transparency websites, many reported doing so with very limited funds, or in some cases, no budget at all. In many cases transparency websites were created only with existing resources. As we reviewed earlier, the cost to implement transparency best practices can be quite

small compared to the reward if instituted and used properly and actively.

The current economic and political climate has left states with crippling budget deficits and forced them to tighten their belts. This can make it difficult for government departments managing budget information to secure the resources needed to invest in new transparency systems, especially if the benefits are viewed as more distant in the future. In Arizona, the obstacle cited by state officials was a lack of funding. No additional money was provided to help develop the newly mandated website. Arizona overcame this challenge by using existing fiscal and personnel resources from the General Accounting Office (GAO) of the Arizona Department of Administration. Officials found other creative ways to keep down the costs of implementing transparency by using a

system currently in use by another state and modifying it to Arizona's particular needs.³⁷ Even state officials in Kentucky, which is leading the way by implementing the best transparency practices, described how the state used existing resources to implement transparency when no funding was specifically dedicated to the project. The officials acknowledge that the lack of funding limits what they are able to accomplish.³⁸ Other states that have expressed similar challenges in dealing with a lack of funding were Colorado, Massachusetts, Mississippi, Montana, Oregon, and Virginia.³⁹

The next most-cited obstacle for states to overcome was coordinating the many moving pieces of a state government. It takes time and effort to coordinate many different agencies, especially where different agencies lack consistent and uniform ways of reporting or storing information. Officials in Indiana and Georgia, for instance, cited the lack of

uniform information and reporting systems as a major impediment in the creation of a centralized location for data collection and transparency of state spending.⁴⁰ Other states citing similar concerns included Arizona, Louisiana, Montana, Nebraska, North Carolina, and Utah.⁴¹

A final main obstacle for states is overcoming antiquated accounting systems. This has been a problem for both Arizona and Virginia, but they have been able to figure out ways to still develop transparency websites.⁴² Montana, though, has been less fortunate. Montana officials believe that their accounting systems are so antiquated that launching a transparency website as recommended in this report would cost \$2,719,780, with ongoing costs on an annual basis between \$620,000 and \$670,000. They estimate the bulk of the total cost to be in the software, database licensing, and maintenance which would cost an estimated \$2,186,002.⁴³

Continuing the Momentum Toward Greater Transparency: Challenges and Recommendations

Despite the continued momentum toward Transparency 2.0—as evidenced by the improvement states made to their online spending transparency websites in 2010—state governments have a long way to go in ensuring that citizens have ready access to comprehensive information about how their taxpayer dollars are spent.

Many state transparency websites still have room for major improvement.

- Most transparency websites do not provide detailed information on government contracts. Even some of the leading websites provide only a short description of the purpose of contracts.
- Only about half of the websites allow users to download datasets in formats such as Excel, enabling more detailed off-line analysis of government spending data.

- Only 26 states include spending data prior to Fiscal Year 2009.
- Only 14 states provide links to their tax expenditure reports.
- Only 14 states provide any information about local and county spending.
- Only four states provide the most comprehensive level of information on grants and economic development incentives awarded to companies and organizations.

In the next year, state governments across the country should strive to improve government accountability. Leading states should advance the Transparency 2.0 movement by continuing to develop innovative functions that elevate transparency and citizen involvement. Emerging states should follow the example of the leading

transparency states by improving the search functions on their websites and increasing the amount of information available to the public. Lagging states need to join the ranks of Transparency 2.0 governments by establishing one-stop, one-click searchable websites that provide comprehensive information on government expenditures.

Overall, state governments should make site navigation more intuitive and allow visitors to tailor their online searches by year or geography. States should also allow residents to view details on state loans given to companies, state revenue sources, state debt accrued through selling bonds, and other spending information.

Public budgets are the most concrete expression of public values—articulated in dollars and cents. As states grapple with difficult decisions in an effort to make budgetary ends meet, transparency websites provide an important tool to allow both citizens and civil servants to make informed choices.

With continued progress toward on-line spending transparency, citizens in the not-too-distant future will be able to feel confident in knowing that each dollar of state expenditure is accounted for and that they can play a more constructive role in debates over how those dollars are spent.

Appendix A: Transparency Scorecard

State	Grade	Point Total	Checkbook-Level Website	Search by Contractor	Search by Activity	Contract or Summary Information Available	Downloadable	Past Contracts	
Total Possible		100	35	10	10	10	2	5	
Kentucky	A	96	35	10	10	10	1	5	
Texas	A	96	35	10	10	10	2	5	
Indiana	A-	93	35	10	10	10	2	5	
Arizona	A-	92	35	10	10	10	2	0	
Louisiana	A-	92	35	10	10	5	2	5	
Massachusetts	B+	87	35	10	10	5	2	5	
North Carolina	B	85	35	10	10	5	0	0	
Ohio	B-	82	35	10	10	10	0	3	
Oregon	B-	82	35	10	10	3	2	0	
New Jersey	C+	78	35	10	10	3	2	5	
Pennsylvania	C+	78	35	10	10	10	0	5	
Virginia	C+	77	35	10	10	3	2	5	
Missouri	C+	76	35	10	10	3	2	5	
Alabama	C	74	35	10	10	5	2	3	
Georgia	C	74	35	10	10	3	2	0	
Nevada	C	74	35	10	10	5	0	5	
Illinois	C	73	35	10	10	3	0	0	
Kansas	C	73	35	10	10	3	0	5	
Minnesota	C	73	35	10	10	3	2	5	
New York	C	73	35	10	10	3	2	0	
Hawaii	C	72	35	10	10	5	0	5	
Maryland	C	71	35	10	0	5	0	3	
Nebraska	C	71	35	10	10	3	0	5	
Colorado	C	70	35	10	10	5	2	0	
Michigan	C	70	35	10	0	10	2	0	
Mississippi	C	70	35	10	10	10	0	0	
Utah	C	70	35	10	10	5	2	0	
Oklahoma	C-	66	35	10	0	0	0	0	
Rhode Island	C-	66	35	10	10	0	2	5	
South Dakota	D+	63	35	10	0	10	0	0	
California	D+	62	35	10	0	4	2	5	
Delaware	D+	61	35	10	10	3	0	0	
New Mexico	D+	61	35	10	10	3	0	0	
South Carolina	D+	61	35	10	0	3	2	3	
Wisconsin	D+	61	35	10	10	3	0	0	
Florida	D	59	35	10	0	5	0	5	
Vermont	D	55	35	0	0	3	2	5	
Wyoming	D-	50	35	10	0	0	0	0	
Tennessee	D-	49	35	0	0	3	0	3	
Alaska	D-	47	35	0	0	3	2	3	
Connecticut	F	39	0	10	10	5	0	5	
Iowa	F	32	0	10	10	5	0	0	
Arkansas	F	28	0	10	10	5	0	0	
West Virginia	F	28	0	10	10	5	0	0	
Washington	F	22	0	0	0	5	0	3	
Montana	F	16	0	0	10	5	0	0	
New Hampshire	F	7	0	0	0	0	1	0	
Idaho	F	6	0	0	0	5	0	0	
North Dakota	F	6	0	0	0	5	0	0	
Maine	F	0	MUST BE A VENDOR TO ACCESS WEBSITE						

Information on Tax Expenditures	Economic Development Incentives and Grants	Feedback	Quasi-Public Agencies	ARRA Funding Linked	Local/ County Spending	Website Address
10	10	2	2	2	2	
9	10	2	2	2	0	opendoor.ky.gov
9	7	2	2	2	2	www.texas Transparency.org
6	9	2	0	2	2	www.in.gov/itp
9	10	2	2	2	0	openbooks.az.gov
10	9	2	2	2	0	www.laTrac.la.gov
6	6	2	2	2	2	www.mass.gov then click "Massachusetts Transparency" link
9	8	2	2	2	2	www.ncopenbook.gov
0	10	2	0	2	0	transparency.ohio.gov
10	8	2	0	2	0	www.oregon.gov/transparency
7	2	2	2	0	0	nj.gov/transparency
0	6	0	2	0	0	contracts.patTreasury.org/search.aspx
0	4	2	2	2	2	datapoint.apa.virginia.gov
0	8	1	0	2	0	mapyourtaxes.mo.gov/MAP/Portal
0	4	1	2	2	0	open.alabama.gov
6	2	2	2	2	0	open.georgia.gov
0	2	1	2	2	2	open.nv.gov
0	10	1	2	2	0	accountability.illinois.gov
6	0	2	0	2	0	kansas.gov/kanview
0	2	2	2	2	0	www.mmb.state.mn.us/tap
0	6	1	2	2	2	www.openbooknewyork.com
0	4	1	0	2	0	hawaii.gov/spo2
6	6	2	2	2	0	spending.dbm.maryland.gov
0	4	2	0	0	2	nebraskaspending.gov
0	4	2	0	2	0	tops.state.co.us
9	0	2	0	2	0	apps.michigan.gov/MiTransparency
0	0	1	2	2	0	www.transparency.mississippi.gov
0	4	2	0	2	0	utah.gov/transparency
10	6	1	2	2	0	www.ok.gov/okaa
0	2	2	0	0	0	ri.gov/opengovernment
0	2	0	2	2	2	open.sd.gov
0	0	2	0	2	2	www.reportingtransparency.ca.gov
0	2	1	0	0	0	checkbook.delaware.gov
0	2	1	0	0	0	contracts.gsd.state.nm.us
0	0	2	2	2	2	www.cg.sc.gov/agencytransparency
0	0	1	0	2	0	www.ethics.state.wi.us/contractsunshine/contractsunshineindex.html
0	0	2	0	0	2	myfloridacfo.com/transparency
0	6	2	2	0	0	finance.vermont.gov
0	0	1	2	2	0	www.wyoming.gov/transparency.html
0	2	2	2	2	0	tn.gov/opengov
0	2	2	0	0	0	fin.admin.state.ak.us/dof/checkbook_online
0	4	1	0	2	2	www.biznet.ct.gov/scp_search
0	4	1	0	2	0	www.das.gse.iowa.gov/iowapurchasing
0	0	1	0	2	0	www.dfa.arkansas.gov/offices/procurement
0	0	1	0	2	0	www.state.wv.us/admin/purchase
0	6	2	2	2	2	fiscal.wa.gov
0	0	1	0	0	0	svc.mt.gov/gsd/apps/TermContractDefault.aspx
0	0	2	2	2	0	www.nh.gov/transparenth
0	0	1	0	0	0	adm.idaho.gov/purchasing
0	0	1	0	0	0	secure.apps.state.nd.us/csd/spo/services
0						www.maine.gov/purchases

Appendix B: Methodology

Grades for the scorecard were determined by assigning points for information included on (or in some cases, linked to) a state's transparency website, or a government procurement website that provides information on government spending. (See Table 5 for a detailed description of the grading system.)

What we graded

Only one website was graded for each state. If states had a transparency website, that site was graded. The Vermont Department of Finance & Management's website was graded as a transparency website because of breadth of information it

offered on government spending. If states did not have a transparency website, their procurement website was graded. Maine's procurement website was not given any credit because it is only accessible with a vendor identification number.

The grades in this report reflect the status of state transparency websites as of January 3, 2011, with the exception of cases in which state officials alerted us to oversights in our evaluation of the websites or changes that had been made to the websites prior to mid-February 2011. In these cases, U.S. PIRG Education Fund researchers confirmed the presence of the information pointed out by the state officials and gave appropriate credit for that information on our scorecard.

How we graded

The researchers reviewed websites and corresponded with state officials as follows:

- During January 2011 U.S.PIRG Education Fund researchers evaluated every publicly accessible state transparency website based on the criteria laid forth in Table 5.
- In late January or early February 2011, state agencies administering transparency websites were sent e-mails with our evaluation, and were asked to review our evaluation for accuracy. A deadline of February 14, 2011 was set for states to send comments.
- Approximately one week after the original e-mail was sent to state agencies, a second e-mail was sent reminding officials to respond by the deadline.
- After February 14, 2011, U.S.PIRG Education Fund researchers reviewed the state officials' comments, followed up on alleged discrepancies, and made adjustments to the scorecard accordingly. In some cases, website administrators misunderstood the grading criteria, or our review of the website found that the site lacked information that state officials believed it had. In these cases, the website administrator was sent an e-mail clarifying U.S.PIRG Education Fund's grading criteria.

Calculating the grades

States can receive a total of 100 points. Based on the points each state received, grades were assigned as follows:

Score	Grade
95 to 100 points	A
90 to 94 points	A-
87 to 89 points	B+
83 to 86 points	B
80 to 82 points	B-
75 to 79 points	C+
70 to 74 points	C
65 to 69 points	C-
60 to 64 points	D+
55 to 59 points	D
45 to 54 points	D-
1 to 44 points or no site	F

The point allocation changed from the 2010 report. Pluses and minuses were added to the letter grades to more accurately reflect where websites stand in relation to the standards of Transparency 2.0. The threshold for a passing grade was lowered from 50 to 45 to reflect the importance of meeting the minimum criterion of having a checkbook-level website.

When determining if a state's transparency site was "checkbook-level," we assumed that, unless otherwise noted on the website, any list of payments made to vendors was complete and comprehensive.

For quasi-public agencies, states were awarded points either if they received points in U.S. PIRG Education Fund's 2010 *Following the Money* report (for which e-mails were sent to the administrator of website, inquiring whether quasi-public agencies were included), or if the administrator responded that the site included quasi-public agencies in e-mail inquiries

Table 5: Description of Point Allocation for the Scorecard

Variable	Description	Maximum Number of Points	Partial Credit
Checkbook-Level Website	Detailed expenditure information that allows one to view individual payments made to vendors.	35	No partial credit.
Search by Contractor	Ability to search expenditures by contractor or vendor name.	10	No partial credit.
Search by Activity	Ability to search expenditures by type of service or item purchased (either the website allows a keyword search, or provides a list of categories).	10	No partial credit.
Contract or Summary Information	A copy of the contract is included with the expenditure entry, or detailed summary information is provided.	10	<p>10 points if copies of all contracts are provided.</p> <p>5 points if copies of contracts from only certain agencies or departments are provided.</p> <p>5 points if a very detailed summary of expenditure is provided. This could include information such as the purpose of the contract, the contract type, contact information for the vendor, or outcome of the contract.</p> <p>3 points if the kind of goods or services the government received is provided.</p>
Downloadable	Information can be downloaded for data analysis (via xls, csv, etc.)	2	No partial credit.
Past Contracts	Contracts and expenditures from previous fiscal years are included on the website.	5	<p>5 points if contracts prior to Fiscal Year 2008 are included.</p> <p>3 points if contracts from Fiscal Year 2008 are included.</p>
Information on Tax Expenditures	The state's tax expenditure report is linked on the website.	10	<p>Note: partial credit is additive across the categories.</p> <p>3 points for Accessibility – 1 point if the link to the tax expenditure report is difficult to find, 3 points if the link to the tax expenditure report is easy to find.</p> <p>3 points for History – 0 points for providing only the present year's tax expenditure report, 1 point for providing a previous year's report, 3 points for providing a report from 2008 or prior.</p>

Variable	Description	Maximum Number of Points	Partial Credit
Information on Tax Expenditures (continued from previous page)	The state’s tax expenditure report is linked on the website.	10	<p>1 point for purpose of the exemptions or deductions being explained within the report.</p> <p>3 points for Comprehensiveness – Received one point for each major tax included (sales, property, and income). If a state does not collect one or more of these taxes, the remaining taxes were weighted equally.</p>
Economic Development Incentives and Grants	Economic development incentives and other grants to specific recipients are included on the website.	10	<p>Note: partial credit is additive across the categories.</p> <p>2 points if specific recipients of grants or incentives are listed.</p> <p>4 points if information is included that provides a detailed description of the purpose of the individual grant or incentive to a specific recipient. 2 points of partial credit were awarded if information is provided that allows visitors to understand the purpose of the grant or incentive program.</p> <p>2 additional points if economic development incentives are included in addition to grants.</p> <p>1 additional point for information on intended benefits for recipient-specific incentives or grants.</p> <p>1 additional point for information on the results produced by recipient-specific incentives or grants, such as the number of additional jobs created.</p>
Feedback	A link on the transparency website allows users to give feedback about the site.	2	<p>2 points if visitors are invited to give feedback.</p> <p>1 point if contact information is provided.</p>
Quasi-Public Agencies	Expenditures from quasi-public agencies, such as transit authorities, are included on the website.	2	No partial credit.
ARRA Funding Linked	A link is provided to the state’s website that tracks funding related to the American Recovery and Reinvestment Act.	2	No partial credit.
Local/County Budgets	Financial information for local governments is included on the website.	2	No partial credit.

sent in January and February, 2011.⁴⁴

State-by-State Explanation of Scoring Choices

In many cases the decisions about attributing scores require some explanation.

Alabama: (1) Received five points for the “Contract or Summary Information Available” because it only provides PDF copies of active contracts for the purchases of goods (not services). (2) Received four points for “Economic Development Incentives and Grants” because the website has basic recipient-specific information for select economic development incentives, including the Alabama Industrial Development Training grant.

Alaska: (1) Received three points for “Contract or Summary Information Available” because the PDF documents that are provided allow users to sort by “account category,” “account subcategories,” and “account details,” (including items such as “commodities,” “repair and maintenance,” and “plumbing,” respectively) but do not allow users to view contracts. (2) Received two points for “Economic Development Incentives and Grants” because the website has basic recipient-specific information for certain grants but not economic development incentives.

Arizona: (1) Received nine points for “Information on Tax Expenditures” because the tax expenditure report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 0/1 for the purpose of individual tax expenditures because they were not explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about income, sales, and property tax expenditures). (2) Received ten points for “Economic Development Incentives and Grants” because

the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive (for example, for “21st Century Energy Demonstration Projects Grant Program” an incentive granted to SunPumps is described as, “Manufactures and installs renewable energy systems for water pumping and aeration in wastewater treatment facilities. These grants will install solar powered systems in the City of Safford and the Town of Thatcher.”). In addition, there is outcome data for Arizona’s “Enterprise Zone Programs” in the incentive program’s annual reports that allows the visitor to determine the number of jobs created in particular enterprise zones and for specific incentives. This information can be found under the “Links” tab where a link to “State Incentives, Programs, and Grants” redirects the visitor here: www.azcommerce.com/BusAsst/Incentives.

Arkansas: (1) Received zero points for “Checkbook-level website” because the website does not provide checkbook-level information on government expenditures. The site provides information on term contracts, which establish a set price at which the government can buy a specific good or service. (2) Received five points for “Contract or Summary Information Available” because the website provides copies of term contracts.

California: (1) Received zero points for “Search by Activity” because, although the website has a drop down menu that is titled, “Acquisition Type,” the limited options in the drop down menu are not useful to the user (they include: “IT Goods,” “IT Services,” “NON-IT Goods,” “NON-IT Services,” and “Unknown”). (2) Received four points for “Contract or Summary Information Available” because each entry has a “description” which in some cases is very descriptive (e.g. “4 cases for blackberries”) and in other cases is not helpful at all

(“NON-IT Goods”).

Colorado: (1) Received five points for “Contract or Summary Information Available” because it provides transaction descriptions (e.g. “BOOKS/PERIODICALS/SUBSCRIPTION” and “ROAD MAINTENANCE MATERIALS”). (2) Received four points for “Economic Development Incentives and Grants” because the website has recipient-specific expenditures for grants and economic development incentives, such as the film incentive or the new jobs incentive (for instance, these items can be found by searching the database by expenditure, FY 2009, “Other Grants,” “Grants to Non-Govt Organizations,” “Office of the Governor,” and “Office of Economic Development”). It does not contain a description, however, of the purpose of the programs, of specific incentives, or outcome data.

Connecticut: (1) Received zero points for “Checkbook-level Website” because the website contains vendors’ estimates of goods and services, not the actual payments they received. (2) Received four points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the specific expenditure, but no information that allows a visitor to determine the purpose of the program or information on economic development incentives. (3) Received two points for “ARRA Funding Linked” because the website allows the user to filter results by “CT Recovery.”

Delaware: (1) Received three points for “Contract or Summary Information Available” because it provides no contracts but separates expenditures into limited categories (e.g., “Administrative Supplies” and “Transportation Equipment”). (2) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures,

but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

Florida: (1) Received five points for “Contract Summary or Information Available” because the ‘Contract Search’ section of the website (which provides descriptions of the expenditures and PDF copies of contract order forms) does not include contracts from all state departments and agencies. Expenditures listed in the “Vendor Payment Search” of the website are not accompanied by a description. (2) Received zero points for the “Economic Development Incentives and Grants” because no information could be found on grants or economic development incentives on the website. Last year, Florida received partial credit for this category because of an e-mail communication from Molly C. Merry, the Bureau Chief of Accounting at the Florida Department of Financial Services. We were unable to confirm this again for this year’s report.

Georgia: (1) Received three points for “Contract or Summary Information Available” because the database provides limited detail information about the type of expenditure (e.g. “supplies and materials,” “electricity,” or “legal expenses”). (2) Received six points for “Information on Tax Expenditures” because the tax expenditure report is easily accessible and fairly comprehensive (3/3 points for accessibility, 1/3 points for historical reports because 2010 was the first year Georgia published a tax expenditure report, 0/1 for purpose of the tax expenditure report not being explained within the report, and 2/3 points for comprehensiveness because the tax expenditure report provides information about income and sales tax expenditures but not property tax expenditures). (3) Received two points for “Economic Development Incentives and Grants” because the website has re-

recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

Hawaii: (1) Received four points for “Economic Development Incentives and Grants” because the website has specific information on a single recipient-specific Health and Human Services grant, but no information that allows the visitor to determine the purpose of the program, or information on economic development incentives. However, the website seems to only have information on this single grant and no others. (2) Received two points for “ARRA Funding Linked” because the database returns results that are “ARRA Grants.”

Idaho: (1) Received zero points for “Checkbook-level Website” because the website does not provide checkbook-level information on government expenditures. The site provides information on purchase orders, which establish a set price at which the government can buy a specific good or service.

Illinois: (1) Received three points for “Contract or Summary Information Available” because the “search by category” function allows the user to drill down and get limited detailed information (e.g. “Attorney Fees,” or “Construction/Improvement Highway”) but the website does not allow users to view contracts. (2) Received ten points for “Economic Development Incentives and Grants” because the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive (can be found primarily in the Corporate Accountability database: www.ilcorpacct.com/corpacct/ProgressReport.aspx). In addition to this, the website provides information about outcome data that allows the visitor to determine the number

of jobs created from a specific incentive.

Indiana: (1) Received nine points for “Economic Development Incentives and Grants” because the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive. In addition to this, the website provides outcome data that allows the visitor to determine projections of, for instance, the number of jobs that would be created by a specific incentive, but not information about actual job creation that resulted from the incentive. However, the website seems to only have information on a single incentive (which can be found by searching “skills enhancement”), but no others. (2) Received six points for “Information on Tax Expenditures” because the tax expenditure report is easily accessible, and fairly comprehensive (3/3 points for accessibility, 1/3 points for historical reports because the website links to a December 2010 tax expenditure report which has some information on previous tax years (2005, 2006, 2007), but does not have links to any other historical, annual tax expenditure reports, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 2/3 points for comprehensiveness because the tax expenditure report provides information about income and property tax expenditures but not sales tax expenditures).

Iowa: (1) Received zero points for “Checkbook-level Website” because the website does not provide checkbook-level information on government expenditures. The site provides information on purchase orders, which establish a set price at which the government can buy a specific good or service, and bid awards. (2) Received four points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the

purpose of the grant program, but no information that allows a visitor to determine the purpose of the specific expenditure or information on economic development incentives.

Kansas: (1) Received three points for “Contract or Summary Information Available” because the website allows the user to drill down and find some detailed information (e.g., “Highways and Bridges” or “Attorneys and Lawyers”). (2) Received six points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 0/3 points for historical reports not being accessible, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax exemptions).

Kentucky: (1) Received one point for “Downloadable” because expenditure information is downloadable, but the expenses are not divided by vendor (they are divided by other criteria such as department). (2) Received ten points for “Economic Development Incentives and Grants” because the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive (can be found on the Financial Incentives Database: www.thinkkentucky.com/fireports/FISearch.aspx). In addition, the website provides information about outcome data that allows the visitor to determine the number of jobs created from a specific incentive. (3) Received nine points for “Information on Tax Expenditures” because the reports are easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 3/3 points for comprehen-

siveness because the tax expenditure report provides information about sales, income, and property tax exemptions).

Louisiana: (1) Received five points for “Contract or Summary Information Available” because website provides a detailed description of contracts (for example, “To remedy the substantial loss of health care professional in the GNO area following Hurricane Katrina . . . 100% federal one time payment”). (2) Received nine points for “Economic Development Incentives and Grants” because the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive (can be found by clicking the economic development incentives link and then the “Approved Applications” link: fastlane.louisianaeconomicdevelopment.com/ApplicationSearch.aspx). In addition, the website provides outcome data that allows the visitor to determine projections of, for instance, the number of jobs that would be created by a specific incentive, but not information about actual job creation that resulted from the incentive. (3) Received 10 points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 1/1 point for the purpose of the tax expenditure being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax expenditures).

Maryland: (1) Received five points for “Contract or Summary Information Available” because website provides copies of few contracts. (2) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose

of the grant or incentive program, but no information that allows a visitor to determine the purpose of the specific expenditure or incentive, or outcome data. This information can be found by navigating to the “Grants Database” and searching items like “Sunny Day,” “One Maryland,” and “Economic Development,” which provide information on incentives. (3) Received six points for “Information on Tax Expenditures” because tax expenditure report is accessible and comprehensive (3/3 points for accessibility, 0/3 points for historical reports not being accessible, 0/1 for the purpose of tax expenditures not being explained, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax expenditures).

Massachusetts: (1) Massachusetts received points for “Check-Book Level Website,” “Search by Contractor,” “Search by Activity,” and “Contract or Summary Information Available” categories because the transparency website links to the state’s procurement website (www.commm-pass.com) which contains a database of contracts. Though the procurement website is linked with the intent of providing visitors with information on state contracts, it does lack fundamental information that other state transparency websites possess—in part because the purpose of a procurement website is different than a website solely dedicated to transparency. (2) Received five points for “Contract or Summary Information Available” because the website provides full contracts for some expenditures. (3) Received six points for “Information on Tax Expenditures” because the tax expenditure report is easily accessible and fairly comprehensive (3/3 points for accessibility, 0/3 points for historical reports not being accessible, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure

report provides information about sales, income, and property tax expenditures). (4) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the grant program and the specific expenditure, but has only limited information on economic development incentives.

Michigan: (1) Received nine points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax expenditures).

Minnesota: (1) Received three points for “Contract or Summary Information Available” because the database allows search by category, which provides basic information when the user drills down further (e.g. “Highway, Bridge, Airport Const” or “Food (not food service)”). (2) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

Missouri: (1) Received three points for “Contract or Summary Information Available” because the website provides basic details about expenditures (e.g. “office equipment,” “attorney services,” and “heavy equipment rentals”). (2) Received eight points for “Economic Development Incentives and Grants” because the website has information on recipient-specific grant and economic development

incentive information that allows a visitor to determine the purpose of the incentive program but not the specific incentive (can be found on the Tax Credit Database: mapyourtaxes.mo.gov/MAP/TaxCredits). In addition to this, the website provides information about outcome data that allows the visitor to determine the number of jobs created from a specific incentive which can be found in the 2010 Tax Credit Accountability Report (www.ded.mo.gov/Ded/TaxCreditReporting.aspx).

Montana: (1) Received zero points for “Checkbook-level Website” because the website does not provide checkbook-level information on government expenditures. The site provides information on term contracts, which establish a set price at which the government can buy a specific good or service. (2) Received five points for “Contract or Summary Information Available” because the website provides copies of term contracts.

Nebraska: (1) Received 10 points for “Search by Activity” because the Expenditure tabs allow users to search by “Budget Source,” which lists activity categories (“Bus Transportation”). (2) Received three points for “Contract or Summary Information Available” because the State Contracts database provides limited detail on some, but not all contracts (e.g., “SECURITY SERVICES”). (3) Received four points for “Economic Development Incentives and Grants” because the website has some limited information on an economic development incentive, the Nebraska Advantage, which can be found here: nebraskaspending.gov/media/tax_credit.pdf. It does not contain a description, however, of the purpose of the programs, of specific incentives, or outcome data.

Nevada: (1) Received five points for “Contract or Summary Information Available” because a detailed description is provided

for the good or service provided by each vendor (e.g., “This delivery system represents activity related to the Power Delivery Project. This project is a high voltage transmission, transformer, and distribution system designed and tied into the Southern Nevada Water Authority’s (SNWA) water delivery system . . .”). (2) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

New Hampshire: (1) Received zero points for “Checkbook-level Website” because transparency portal does not provide checkbook-level information on government expenditures (it offers spending numbers for departments and agencies in the “Monthly Expenditure Reports”). The state still receives a grade in the scorecard because it has established a transparency website that provides some useful information. (2) Received one point for “Downloadable” because expenditure information is downloadable, but the expenses are not divided by vendor (they are divided by other criteria such as agency).

New Jersey: (1) Received 10 points for “Search by Activity” because “Commodity Sector” (e.g., “Administrative, Financial, and Management Services,” and “Arts, Crafts, Entertainment, and Theater”) is a search function. (2) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives. The database lists expenditures of the Urban Enterprise Zone program (UEZ), but does not list expenditures specific to particular enterprise zones

or recipients. (3) Received seven points for “Information on Tax Expenditures” because the report is easily accessible and fairly comprehensive (3/3 points for accessibility, 1/3 points for historical reports because 2010 was the first year New Jersey published a tax expenditure report, 0/1 points for the purpose of the tax expenditure not being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax exemptions).

New Mexico: (1) Received three points for “Contract or Summary Information Available” because the website does not provide information on all contracts. It only provides limited detailed information on contracts valued greater than \$20,000. (2) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

New York: (1) Received 10 points for “Search by Activity” because website allows users to search by “Contract Type” (e.g., “Land Purchase”) and “Agency Name.” (2) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the specific expenditure but not of the grant or incentive program. This information can be found, for instance, by searching state contracts and selecting “economic development” for agency and “grants” for expenditure type (this produces information on an Environment Investment Program, EIP, and other economic development incentive information). No outcome data could be found.

North Carolina: (1) Received five points for “Contract or Summary Information Available” because copies for purchase orders and total amount paid are provided. (2) Received eight points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the grant or incentive program as well as the specific expenditure or incentive. The website, however, does not provide information on outcome data. The website lists some of North Carolina’s major economic development incentives like the Job Development Investment Grant and the One North Carolina Fund, but does not provide figures on the expenditures of these programs as it does for other incentives and grants (this can be found by navigating to the grants database and selecting a fiscal year and clicking on “Department of Commerce”). (3) Received nine points for “Information on Tax Expenditures” because the reports are easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 0/1 points for the purpose of tax expenditure not being explained in the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax exemptions).

North Dakota: (1) Received zero points for “Checkbook-level Website” because the website does not provide checkbook-level information on government expenditures. The site provides information on vendors, such as the set price at which the government can buy a specific good or service, but not the total amount actually awarded to vendors.

Ohio: (1) Received three points for “Past Contracts” because the website provides PDF documents listing expenditures from

fiscal years 2008 and 2009 that are valued at \$25,000 or more. (2) Received ten points for “Economic Development Incentives and Grants” because the website has program and recipient-specific grant and economic development incentive information that allows a visitor to determine the purpose of the incentive (can be found at its tax incentive database here: development.ohio.gov/HB1/Default2.aspx). In addition to this, the website provides information about outcome data that allows the visitor to determine the number of jobs created from a specific incentive.

Oklahoma: (1) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the grant or incentive program, but no information that allows a visitor to determine the purpose of the specific expenditure or incentive, or outcome data. (2) Received ten points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 1/1 points for the purpose of the tax expenditure being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information about sales, income, and property tax exemptions).

Oregon: (1) Received two points for “Downloadable” because in order to view any contract information at all, the user must download the information into an .xlsx or .csv file. (2) Received eight points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the grant or incentive program as well as the specific expenditure. The website also links, through its “Resources”

page, a report entitled “Benchmarking State Business Incentives” (linked here: www.oregon4biz.com/assets/docs/stateBizIncentives.pdf) that describes the purpose and analysis of the performance of major incentive programs but does not provide outcome data on individual incentive expenditures disbursed to specific recipients. (3) Received ten points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 1/1 points for the purpose of the tax expenditure being explained within the report, and 3/3 points for comprehensiveness because the tax expenditure report provides information on the major taxes that it collects: income and property tax exemptions). Oregon does not collect sales taxes, so no points were deducted for comprehensiveness of reporting in this category.

Pennsylvania: (1) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the grant program as well as the specific expenditure. However, there is no information on economic development incentives or outcome data.

Rhode Island: (1) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives. (2) Received zero points for “Quasi-Public Agencies” because it is not clear that the state includes expenditure information from quasi-public agencies in its “Vendor Search” function, and e-mails requesting more information were unanswered. There is a search function for quasi-public

agencies, however no results are displayed when this is used, so the state does receive credit for the category.

South Carolina: (1) Received three points for “Contract or Summary Information Available” because website gives the “Object title” for each payment, such as “Hshld Lndry Grounds Maint & Jantl Supplies.”

South Dakota: (1) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives. (2) Received zero points for “Feedback” because even though there is a feedback link at the bottom of the website, the feedback link directs the user to a feedback site for the entire government of South Dakota and it is not obvious how to make the feedback specifically for the transparency website.

Tennessee: (1) Received two points for “Economic Development Incentives and Grants” because the website has recipient-specific grant expenditures, but no information that allows the visitor to determine the purpose of the specific expenditure, the program, or information on economic development incentives.

Texas: (1) Received seven points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the grant or incentive program, but no information that allows a visitor to determine the purpose of the specific expenditure or incentive. In addition, the website provides outcome data that allows the visitor to determine projections of, for instance,

the number of jobs that would be created by a specific incentive, but not information about actual job creation that resulted from the incentive. This information can be found linked on the website’s “Budget, Financial, and Economic Reports” page (the link redirects the user to this website: www.texasahead.org/reports/incentives/). (2) Received nine points for “Information on Tax Expenditures” because the report is easily accessible and comprehensive (3/3 points for accessibility, 3/3 points for historical reports being accessible, 0/1 points for the purpose of the tax expenditure not being explained within the report for almost all tax exemptions, and 3/3 points for comprehensiveness because the tax expenditure report provides information on income and property taxes, the only major taxes the state collects). Note: Texas does not collect personal income taxes, so no points were deducted for comprehensiveness of reporting in this category because they were absent. Texas’ tax expenditure report *does* have a purpose for one item, “One reason for the sale for resale exemption is to keep the sales tax from pyramiding or cascading on every transaction.” However, since virtually every other tax exemption or deduction described within the report does not have an explanation of its purpose, the state did not receive credit for this category.

Utah: (1) Received five points for “Contract or Summary Information Available” because only certain contracts are posted. For example, “Eagle Environmental Inc’s” 9/15/2010 contract for “Asbestos Abatement” is available, but its 11/01/2010 contract for “Asbestos Abatement” is unavailable. (2) Received four points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the specific expenditure but not of the grant program.

Vermont (1) Received zero points for “Search by Activity” and “Search by Contractor” because there is no separate sorting or search function embedded in the website. (2) Received three points for “Contract or Summary Information Available” because the website lists very limited detail for active contracts. (3) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the grant or incentive program, but no information that allows a visitor to determine the purpose of the specific expenditure or incentive, or outcome data.

Virginia: (1) Received three points for “Contract or Summary Information Available” because the category of service (“Computer Software Maintenance Services” or “Building Rentals”) is provided. (2) Received four points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants that allows a visitor to determine the purpose of the specific expenditure but not of the grant program.

Washington: (1) Received zero points for “Checkbook-Level website” because even though the website has a “Vendor Checkbook” icon, that application was not yet working at the time the website was evaluated. (2) Received five points for “Contract or Summary Information Available” because the site provides descriptions (plus company information, amount given, and start and end date) for personal service contracts (e.g., “The purpose of this contract is to hire an actuarial consultant to review and comment on changes to retrospective rating tables, including . . .”). (3)

Received three points for “Past Contracts” because website has personal service contracts from 2008. (4) Received six points for “Economic Development Incentives and Grants” because the website has detailed information on recipient-specific grants and economic development incentives that allows a visitor to determine the purpose of the grant or incentive program, but no information that allows a visitor to determine the purpose of the specific expenditure or incentive, or outcome data. This information can be found through a featured link, “Tax Incentives (DOR)” that redirects the user here: dor.wa.gov/Content/FindTaxesAndRates/TaxIncentives/.

West Virginia: (1) Received zero points for “Checkbook-level Website” because the website does not provide checkbook-level information on government expenditures. The site provides information on purchase orders, which establish a set price at which the government can buy a specific good or service.

Wisconsin: (1) Received three points for “Contract or Summary Information Available” because the website provides a short description for expenditures (e.g., “data processing, computer, and software services”). (2) Received zero points for “Past Contracts” because only the award date for contracts is provided, and all the contracts listed might be current.

Wyoming: (1) Received zero points for “Contract or Summary Information Available” because most of the vendor payments do not include a description of the expenditure. Though space is available for this information to be provided, in most instances only a number is provided or the field is left blank.

Appendix C:

Agencies or Departments Responsible for Administering Transparency Websites by State

State	Who is responsible for the transparency site?	Transparency Website
Alabama	State Comptroller's Office, Dept. of Finance	open.alabama.gov
Alaska	Division of Finance, Dept. of Administration	fin.admin.state.ak.us/dof/checkbook_online
Arizona	General Accounting Office, Department of Administration	openbooks.az.gov
Arkansas	Department of Finance and Administration	www.dfa.arkansas.gov/offices/procurement
California	Governor's Office	www.reportingtransparency.ca.gov
Colorado	Office of the State Controller, Department of Personnel and Administration	tops.state.co.us
Connecticut	Department of Administrative Services	www.biznet.ct.gov/scp_search
Delaware	Cooperation of Office of Management and Budget, Department of Finance, and the Government Information Center	checkbook.delaware.gov
Florida	Department of Financial Services	myfloridacfo.com/transparency
Georgia	Department of Audits and Accounts	open.georgia.gov
Hawaii	State Procurement Office, Department of Accounting and General Services	hawaii.gov/spo2
Idaho	Division of Purchasing, Department of Administration	adm.idaho.gov/purchasing
Illinois	Department of Central Management Services	accountability.illinois.gov
Indiana	State Auditor's Office	www.in.gov/itp
Iowa	Department of Administrative Services, Procurement Services Division	www.das.gse.iowa.gov/iowapurchasing
Kansas	Department of Administration	kansas.gov/kanview
Kentucky	Governor's Office: E-Transparency Task Force, a multi-agency effort led by officials of the Finance and Administration Cabinet	opendoor.ky.gov
Louisiana	Division of Administration	www.la.trac.la.gov
Maine	Department of Administrative and Financial Services, Division of Purchases	www.maine.gov/purchases
Maryland	Department of Budget and Management	spending.dbm.maryland.gov
Massachusetts	Executive Office for Administration and Finance	www.mass.gov then click "Massachusetts Transparency" link
Michigan	Office of Financial Management, State Budget Office, Department of Technology, Management and Budget	apps.michigan.gov/MiTransparency
Minnesota	Minnesota Management and Budget	www.mmb.state.mn.us/tap
Mississippi	Department of Finance and Administration	www.transparency.mississippi.gov

Missouri	Office of Administration	mapyourtaxes.mo.gov/MAP/Portal
Montana	Department of Administration, General Services Division, State Procurement Bureau	svc.mt.gov/gsd/apps/TermContractDefault.aspx
Nebraska	State Treasurer's Office	nebraskaspending.gov
Nevada	Budget and Planning Division, Department of Administration	open.nv.gov
New Hampshire	Department of Administrative Services and the Department of Information Technology	www.nh.gov/transparentnh
New Jersey	Governor's Office	nj.gov/transparency
New Mexico	Cooperation of the General Services Department, the Department of Finance and Administration, the Department of Transportation, and the Department of Information Technology	contracts.gsd.state.nm.us
New York	Office of the State Comptroller	www.openbooknewyork.com
North Carolina	Office of State Budget and Management (OSBM) with substantial help from the Department of Administration (DOA), the Office of the State Controller (OSC), and the Office of Information Technology Services (ITS)	www.ncopenbook.gov
North Dakota	Office of Management and Budget, State Procurement Office	secure.apps.state.nd.us/csd/spo/services
Ohio	Treasurer of State	transparency.ohio.gov
Oklahoma	Office of State Finance	www.ok.gov/okaa
Oregon	Department of Administrative Services	www.oregon.gov/transparency
Pennsylvania	Pennsylvania Treasury Department	contracts.patreasury.org/search.aspx
Rhode Island	State Controller's Office, Office of Accounts and Controls, Department of Administration	ri.gov/opengovernment
South Carolina	Comptroller General's Office	www.cg.sc.gov/agencytransparency
South Dakota	Bureau of Finance and Management	open.sd.gov
Tennessee	Department of Finance and Administration	tn.gov/opengov
Texas	Comptroller of Public Accounts' Office	www.texas Transparency.org
Utah	Division of Finance, Department of Administrative Services	utah.gov/transparency
Vermont	Department of Finance and Management	finance.vermont.gov
Virginia	Auditor of Public Accounts	datapoint.apa.virginia.gov
Washington	Legislative Evaluation and Accountability Program and the Office of Financial Management	fiscal.wa.gov
West Virginia	Department of Administration, Purchasing Division	www.state.wv.us/admin/purchase
Wisconsin	Wisconsin Government Accountability Board	www.ethics.state.wi.us/contractsunshine/contractsunshineindex.html
Wyoming	Department of Administration and Information	www.wyoming.gov/transparency.html

Notes

1 In this report, a “transparency website” or “transparency portal” refers to transparency websites, procurement websites, and Vermont’s Department of Finance and Management’s website.

2 National Association of State Budget Officers, *Fiscal Year 2009; State Expenditure Report*, Fall 2010.

3 National Governors Association and National Association of State Budget Officers, *The Fiscal Survey of States*, June 2010.

4 Jon Ortiz, “Brown’s Countdown, Day 12: State Work Force Expected to Shrink,” *Sacramento Bee*, 21 January 2011.

5 Ibid.

6 Association of Government Accountants, *Public Attitudes Toward Government Accountability and Transparency 2010*, February 2010.

7 Harris Interactive for Association of Government Accountants, *Public Attitudes Toward Government Accountability and Transparency 2008*, February 2008, available at www.agac-fgm.org/harrispoll2008.aspx.

8 See note 6.

9 See, e.g., Stephen Goldsmith and William D. Eggers, “Government for Hire,” *New York*

Times, 21 February 2005.

10 In 2002 a University of Iowa study estimated a total of US\$ 40 to US\$ 50 billion in state investment subsidies were distributed, a figure that has surely grown with the increasing use of these incentives. See Peters, Alan and Peter Fisher. “The failures of economic development incentives.” *Journal of the American-Planning Association*, vol. 70, no. 1(2004), page 28; Massachusetts’s economic development tax expenditures, for example, cost the state nearly \$1.5 billion a year: Bruce Mohl, “Subsidizing the Stars,” *CommonWealth*, Spring 2008. During its decades of expansion, Wal-Mart alone has received over \$1 billion in state and local subsidies nationally: Barnaby Feder, “Wal-Mart’s Expansion Aided by Many Taxpayer Subsidies,” *New York Times*, 24 May 2004.

11 For a history of this expansion, see Alberta M. Sbragia, *Debt Wish: Entrepreneurial Cities, U.S. Federalism, and Economic Development* (University of Pittsburgh Press, 1996).

12 Deirdre Cummings, MASSPIRG Education Fund, *Out of the Shadows; Massachusetts Quasi-Public Agencies and the Need for Budget Transparency*, Spring 2010.

13 Minnesota Department of Employment and Economic Development, *1999 Business Assistance Report*, available at www.deed.state.mn.us/Community/pdf/busar99.pdf.

- 14 Tracy Loew, "States Put Spending Details Online; Public Can Check Where Their Taxes Go," *USA Today*, 23 February 2009.
- 15 Rep. Bernie Hunhoff, "Pierre Report: Open Government Saves \$10M," *Yankton Press and Dakotan* (South Dakota), March 17, 2010.
- 16 Beth Hallmark, Office of the Texas Comptroller of Public Accounts, personal communication, 11 February 2011.
- 17 Ramesh H. Advani, Department of Administration and Finance, personal communication, 11 February 2011.
- 18 Sutherland Institute, *How Much Will Transparency Cost?*, 15 February 2008, available at www.sutherlandinstitute.org/uploads/How_Much_Will_Transparency_Cost_Policy_Brief.pdf
- 19 Greg Haskamp, Office of Policy and Audit, personal communication, 1 February 2011.
- 20 See note 14.
- 21 Sandra Fabry, Americans for Tax Reform, *Testimony to the Maryland House of Delegates Health and Government Operations Committee Regarding H.B. No. 358*, 6 February 2008, available at www.atr.org/pdf/2008/feb/020508ot-testimony_md_trnsp.pdf.
- 22 Shane Osborn, Nebraska State Treasurer, *Letter to Maryland Senator Mooney*, 20 March 2008, available at www.showmethespending.org/uploads/MD-NE_Letter.pdf.
- 23 Lisa McKeithan, Oklahoma Office of State Finance, personal communication, 6 August 2008.
- 24 Alaska, Louisiana, Maryland, Nebraska, Texas and Washington: Jerry Brito and Gabriel Okolski, Mercatus Center, George Mason University, *The Cost of State Online Spending-Transparency Initiatives*, April 2009; Kansas, Missouri, Oklahoma, and South Carolina: See note 26, Center for Fiscal Accountability; California: Office of the Governor, State of California, *Gov. Schwarzenegger Expands Transparency Web Site Creating Greater Accountability to the People* (press release), 8 September 2009; Florida: Florida Governor Charlie Crist, *Governor Crist, CFO Sink Unveil Sunshine Spending Web Site* (press release), 17 March 2009; Kentucky: e-Transparency Task Force, *Final Report to Governor Steven L. Beshear: Kentucky's Open Door*, 1 November 2008; Nevada: Ed Vogel, "Open Government: Finances Web Site Coming," *Las Vegas Review-Journal*, 19 March 2008; Pennsylvania: Estimate based upon two contracts the state had with Koryak Consulting: The Pennsylvania Treasury Department, *Pennsylvania Contracts e-Library*, downloaded from contracts.patreasury.org/search.aspx, 21 September 2009; Rhode Island: Treasury Online Checkbook, State of Rhode Island, *Frequently Asked Questions*, downloaded from www.treasury.ri.gov/opengov/faq.php, 14 September 2009; Utah: John C. Reidhead, Utah State Department of Administrative Services, *Letter to Derek Monson, Sutherland Institute*, 29 January 2009, available at sunshinereview.org/images/0/07/Sutherland_Institutue_FOIA.pdf.
- 25 Information on the amount specific recipients receive from the state is supplied for some grants, but not tax credits. For example, the 21st Century Energy Demonstration Projects Grant Program shows specific dollar amounts given to the four companies that received funds in 2010. The website provides the 2010 Enterprise Zone report lists the specific number of jobs and capital investments expected for tax credits—and even the average wage level of the jobs—but it is impossible to judge where taxpayers are getting proper bang for their buck because the website does not show the credits granted to individual companies.
- 26 Kirke Willing, Deputy Auditor, Auditor of the State of Indiana, personal communication, 1 December 2010.
- 27 Bob Segall, "Where are the Jobs? The Real Numbers are In," *WTHR*, 20 January 2011.
- 28 The portal does not allow users to search by activity, and in order to view the actual contracts, users must download an excel spreadsheet at the bottom of the page, which is disconnected from the contractor search function at the top.
- 29 \$306 million to companies is the "Payments to Local Units, Individuals and Private Groups" piece of the pie chart in the Transportation Department.
- 30 Even though Wisconsin's transparency website existed last year, it did not meet the basic standards for inclusion in last year's report

and was not graded. It is therefore considered a new website this year.

31 Wisconsin's main transparency portal: www.ethics.state.wi.us/contractsunshine/contractsunshineindex.html

32 The 2010 report refers to: Phineas Baxandall, U.S. PIRG Education Fund, *Follow the Money*, April 2010.

33 "42 states" does not include the District of Columbia. "42 states" is derived from the 41 states (Jason Levitis, Nicholas Johnson, and Jeremy Koulisch, Center on Budget and Policy Priorities, *Promoting State Budget Accountability Through Tax Expenditure Reporting*, April 2009) plus New Jersey's new tax expenditure report.

34 In the 2010 *Following the Money* report the state procurement sites for Hawaii and Pennsylvania provided the basis for scoring those states, but were referred to as transparency websites as shorthand. This year's report lists them as procurement websites.

35 Waste Watchers, "Home; Report Problems/Share Solutions," downloaded from www.wastewatchers.ca.gov, 7 February 2011.

36 Waste Watchers, "Results; Department of Toxic Substances Control," downloaded from www.wastewatchers.ca.gov, 7 February 2011.

37 Clark Partridge, Arizona State Comptroller, General Accounting Office, personal communication, 14 February 2011.

38 See note 19.

39 This information came from the following state officials: David J. McDermott, Colorado State Controller, Department of Personnel & Administration, personal communication, 13 February 2011; Ramesh Advani, Deputy Director—Mass Recovery & Reinvestment Office, personal communication, 11 February 2011; Cille Litchfield, Deputy Executive Director, Mississippi Department of Finance and Administration, personal communication, 3 February 2011; Sheryl Olson, Deputy Director, Montana Department of Administration, personal communications, 11 February 2011; Sean McSpaden, Oregon Deputy State Chief Information Officer, personal communication, 14 February 2011; April Gunn,

Director—Commonwealth Data Point, personal communication, 11 February 2011.

40 This information came from the following state officials: Lynn Bolton, IT Director, Georgia Department of Audits, personal communication, 10 February 2011; Kirke Willing, Deputy Auditor, Auditor of the State of Indiana, personal communication, 11 February 2011.

41 This information came from the following state officials: Clark Partridge, Arizona State Comptroller, General Accounting Office, personal communication, 14 February 2011; Steven Procopio, Assistant Commissioner—Louisiana Management and Finance Acting Executive Director—Office of Community Development, personal communication, 1 February 2011; Sheryl Olson, Deputy Director, Montana Department of Administration, personal communications, 11 February 2011; Jason Walters, Acting Deputy Treasurer, Nebraska State Treasurer's Office, personal communication, 14 February 2011; Jonathan Womer, Deputy Director for Management—North Carolina Office of State Budget and Management, personal communication, 3 February 2011; John Reidhead, Director—Utah Division of Finance, personal communication, 14 February 2011.

42 This information came from the following state officials: Clark Partridge, Arizona State Comptroller, General Accounting Office, personal communication, 14 February 2011; April Gunn, Director—Commonwealth Data Point, personal communication, 11 February 2011.

43 Sheryl Olson, Deputy Director, Montana Department of Administration, personal communications, 11 February 2011 & 22 February 2011

44 Quasi-public agencies are publicly chartered bodies that perform some public function and are controlled by government-appointed boards. They are not fully public because they operate independently of the legislative and executive branches and do not principally depend on state general funds for operation. They cannot be classified as private entities because they are governed by state appointees and are typically endowed with public powers to collect fees or other revenues, as well as to perform public functions.