

**2010 NASCIO RECOGNITION AWARDS NOMINATION**

*Title of Nomination*

Colorado Online Transparency Initiatives (TOPS and ARRA)

*Award Category*

Open Government Initiatives

*State*

Colorado

## EXECUTIVE SUMMARY

The open government initiative undertaken in Colorado promotes online transparency and accountability by providing citizens with a means to track state revenues and expenditures, state contracts, federal grant money, and the impact of the American Recovery and Reinvestment Act of 2009 (ARRA). The [Transparency Online Project \(TOP\) System](#) and the [Colorado.gov/Recovery](#) website are cornerstones of Colorado's efforts.

As a candidate, Bill Ritter, Jr. promised Colorado citizens that he would take advantage of improvements in technology to make government more transparent and accountable. Early in his administration, Governor Ritter's office celebrated government transparency milestones like the State Treasurer's "State Taxpayer Accountability Report" (STAR) and the launch of the new Governor's Office of State Planning and Budgeting website, which for the first time in the state's history made the Executive Branch budget available online. However, it was not until 2009 that Colorado started to become an innovator in Open Government Initiatives.

Governor Ritter worked with the 2009 General Assembly to create the Transparency Online Project (TOP) System, an online checkbook. TOP is a free, searchable, web-based system providing easy access to information about the state's revenues and expenditures. While providing adequate protection for privacy, safety, and security concerns, the system allows taxpayers to see where their money is going and how it is being spent and fosters accountability and transparency. When coupled with the state's public [Contract Management System](#), this online state checkbook provides citizens unprecedented access to review and track state revenues and expenditures.

Colorado expects to receive more than \$7 billion through the life of the American Recovery and Reinvestment Act of 2009. ARRA requires federal, state and local governments to work with citizens and businesses to introduce a new age of transparency. However, even before the federal requirements were defined, the State of Colorado had already taken meaningful action to usher in this new age. Just one day after ARRA was signed, Governor Ritter established the Colorado Economic Recovery Accountability Board (CERAB) and created the Colorado.gov/Recovery website. The mission of the Board and website is to provide the public access to information about how ARRA is impacting Colorado, including:

- An interactive map;
- Dynamic data displays of program spending;
- County-by-county and statewide impact assessments;
- Analysis of data to better inform citizens and improve grant management;
- Use of Web 2.0 tools to communicate with citizens.

NASCIO Priority Strategies, Management Processes and Solutions:  
Shared Services, Budget and Cost Control, Transparency

NASCIO Priority Technologies, Applications and Tools:  
Web 2.0

### **C. DESCRIPTION OF THE BUSINESS PROBLEM AND SOLUTION**

Problem 1) State of Colorado government represents an almost \$17 billion dollar enterprise and it is essential that Colorado's citizens have access to information about how their tax dollars are being spent. Prior to 2009, citizens, businesses and media wanting such information had to submit a Colorado Open Records Act (CORA) request; these are complex and time-consuming legal requests.

Problem 2) The sheer size and diversity of the Recovery program required a new approach to tracking and overseeing ARRA funds. Among other things, the solution had to take into account:

- There are more than 140 different federal funding streams coming to Colorado.
- Significant increases in funds and drastically reduced timeframes in which to spend the grant money impacted already established programs.
- Many ARRA program guidelines and requirements were continuing to be developed even while recipients were implementing the obligations of their grants. It was imperative that the state ensure that recovery funds were getting to the people who most needed them during the time of the recession and comply with new program reporting requirements.

Faced with the worst economic recession since the 1940's and plummeting state revenues that forced cuts to programs and services, it became even more important that citizens be informed about where government dollars are spent. The Governor and other government leaders in Colorado realized that in order to improve government accountability, the state had to take advantage of online technologies. Two projects were initiated within very short timeframes and were developed in-house on shoestring budgets and with existing resources to meet citizen and ARRA demands for information.

Problem Statement: Citizens and businesses in Colorado did not have an easily accessible way to ascertain information regarding state revenues and expenditures. Further, with the Recovery Act, there was a federal and public mandate to dramatically improve transparency across a multitude of federal, state and local programs. There needed to be a one-stop solution for citizens to find out how the Recovery Act was impacting their communities without having to know whether the program was administered by federal, state, local or private entities.

Barriers, Challenges and Opportunities: Colorado has a legacy enterprise financial system which is cumbersome to use and nearly impossible to customize for new initiatives. Due to dwindling state revenues, the state lacked the funds to purchase an off-the-shelf or custom-built solution for either an online checkbook or Recovery Act Tracking System. The Recovery Act presented a very complex data management problem that needed to be resolved quickly without the benefit of defined scope. Using existing state employees and creative solutions to combine and leverage the strengths of several systems in innovative ways, the state was able to build both systems at almost no cost.

Issue of problem context: Both the Recovery transparency website and the online checkbook utilize existing state technical systems such as the state's financial management system and the Contracts Management System. Additionally, the Recovery transparency website integrates data not only from internal state systems, but also from the Federal Recovery Act website ([www.recovery.gov](http://www.recovery.gov)).

Assessment and Decision Process: There was no shortage of vendors wanting the opportunity to work with data and technology managers at the state on developing and implementing third-party solutions to their online transparency challenges. Considering the rigidity of the state's legacy financial system, the not completely defined technical requirements of the Recovery Act, and the economic conditions, it was not practical to enter into a formal agreement with an outside resource. Instead, the state leveraged the flexibility and experience of internal solutions with open source third party solutions.

Solution: The solution for an online checkbook and a Recovery Act One-Stop-Shop was to develop a network of information exchanges from existing state resources. The online checkbook draws information from the state's financial system and the state's Contracts Management System into the Financial Data Warehouse in order to generate the necessary reports. It then utilizes reporting software to publicly display those reports.

Colorado's Recovery website utilizes the state's Recovery Act reporting system, Financial Data Warehouse, and Contracts Management System, as well as third party tools such as the ESRI's Recovery Act Map utility and FusionChart's free charts package. The website is designed to serve state managers and executive leadership, citizens interested in receiving Recovery Act money, and citizens and watchdog groups that want to track the funding in Colorado. This project was defined in broad terms early on but has evolved as ARRA reporting requirements were defined and program funding evolves from solicitation to implementation.

Timeline and Metrics: The Governor issued an Executive Order calling for the state's expenditure information to be available in the online checkbook by September 1, 2009 with the revenue information added by January 2, 2010. The online checkbook was released on September 1, 2009 and included both pieces – expenditures and revenues. Since September 2009, the site has had almost 17,000 visits with the vast majority of those coming via mandated links posted on state agency websites.

The state's Recovery transparency website launched February 18, 2009, just one day after ARRA was signed. Since then there have been more than 120,000 visits to the site. The Recovery website has twice received national commendation from third-party government transparency watchdog groups.

Innovative Characteristics: In 2007, and for the first time in the state's history, Colorado posted static documents online that describe the executive branch budget. Less than two years later, an online checkbook was launched showing real-time revenue and

expenditures for each state department, dramatically increasing the detail and utility of this online information.

The Colorado.gov\Recovery website is unique in several ways. Unlike many other states, Colorado did not purchase a third-party system to collect, manage and display this information. Instead, it employs in-house staff (2.5 FTE), existing state web systems and free third-party tools to display Recovery Act impact information. Additionally, at the direction of the Governor and senior leadership, Colorado's Recovery website does not focus solely on State Recovery Act programs (approximately 500 awards granted as of April 2010). The Recovery website contains information about all awards and programs impacting the state or its citizens and goes beyond what can be found on the federal Recovery.gov by describing tax benefits and direct federal spending in Colorado.

Leverage and Transferability: As the federal government continues to develop its Open Government initiatives such as USASpending.gov and Data.gov, the State of Colorado is well positioned to build on its experience of the last year to be a leader in government transparency. Citizens are starting to expect easy to understand online transparency regarding government programs and spending. Colorado's online checkbook is a major success, providing meaningful information to citizens about how Colorado does business. The White House Office of Management and Budget is using the lessons learned and in many cases exact requirements from the Recovery Act reporting to develop a government-wide federal reporting system. Colorado is positioned to use its experience building the Colorado Recovery website to adapt and keep pace with these new requirements.

Communications Plan: Governor's Executive Order D 007 09 and state statute require all state departments to put a link to the Transparency Online Project on their homepage. This ensures that any citizen navigating the state's website can easily get to the checkbook. Since September, these links are the most travelled paths for visitors to the site. The Governor and State Treasurer issued a [Press Release](#) on September 1, 2009 to announce the release of Transparency Online Project.

Colorado's Recovery Act implementation team includes both a Communication Manager as well as a Business Outreach Director. Both of these positions utilize the website as a centerpiece in their public communications. Additionally, the Recovery website employs modern communications tools such as RSS feeds and Twitter updates to allow people to stay informed about current events and new information. IN addition, the Governor's Office issued a [Press Release](#) on February 18, 2009 announcing the creation of the Colorado Economic Recovery Accountability Board (CERAB) and the Colorado.gov/Recovery website.

## D. SIGNIFICANCE OF THE PROJECTS

Beneficiary/Stakeholder Groups: The online checkbook primarily benefits citizens as taxpayers. However, it is also beneficial to local, regional and state government entities (including the Legislature) because it provides user-friendly, real-time access to financial statements about state's expenditures.

The Recovery transparency website also primarily benefits citizens and businesses as taxpayers. Its benefits extend to businesses interested in identifying potential funding opportunities and citizens looking for work. The tools and lessons learned in managing and analyzing the Recovery Act data have proved invaluable to decision makers at the state level as well. It has provided an insight into a broad range of federal funding, allowing the identification of best practices of other recipients in areas like grant oversight, transparency and risk management. Additionally, it has been used to proactively identify funding problems and trends to better implement the Recovery Act in Colorado.

Policy, Strategy and Goals: The Transparency Online Project fulfilled both gubernatorial and legislative goals of making state government more transparent and accountable to the citizens of Colorado.

The Recovery transparency website also aligned with the gubernatorial goal of providing increased government accountability to the citizens of Colorado. It aligned with the federal priorities of open government and transparent use of ARRA funds by providing information not only about the State of Colorado funding but also about funding through almost 1,000 other awards that impact the state.

## E. BENEFIT OF THE PROJECTS

Both of these projects have had a qualitative benefit to state government and the citizens of Colorado. In addition, they align directly with the NASCIO 2009 and 2010 CIO priorities in the following ways:

- Through both of these initiatives, the state is becoming more accountable and more transparent; learning lessons that can be used in the future to build 21<sup>st</sup> century public data warehouses.
  - The fifth priority on NASCIO's list – ARRA - speaks specifically to executing, supporting and reporting on Recovery Act activities. Colorado's website goes above and beyond this state CIO priority as it displays both state and non-state data. It has provided valuable insight for state managers and other users into how the Recovery Act is impacting Colorado.
- Both the TOP website and the Recovery transparency website provide single points of entry for constituents to find information about government funding in Colorado.
    - The Recovery website includes links to the [Colorado Recovery Funding Map](#) which allows user to see funding allocations and specific projects across the state and [The Colorado Story Report](#) allows users to find regularly updated program information and progress on every known Recovery Act program related to Colorado.
  - These projects provide a solid step forward in the advancement of Colorado's public policy goal of accountable government.
  - Each fulfilled legal mandates from the Governor, the state legislature and the federal government. Both a gubernatorial executive order and a 2009 legislative bill required the creation of the TOP system. The Recovery Act did not have a specific mandate for a state recovery website, but it did require the online posting of many of the certifications on how funds would be used.
  - Having a one-stop-shop website provides significantly increased ease of use for citizens to find out how the Recovery Act is impacting them because they do not have to know specifics about the program or department before they begin their search. Providing transparency into state funding as well as Recovery Act funding starts to address much of the cynicism and distrust of government.

