



## HIGHER EDUCATION TRANSPARENCY SYSTEMS

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### TRANSPARENCY SYSTEMS

Transparency systems are websites that government agencies maintain to allow the public to observe how their tax dollars are being spent. They are usually established by state agencies, quasi-agencies, public education institutions, or any other organizations funded partially or completely by the government.

### ISSUE

Have any states, including Connecticut, instituted transparency systems to track how public higher education institutions spend state-appropriated funds?

### SUMMARY

At least six states have passed laws requiring systems for tracking how public higher education institutions spend state-appropriated funds using transparency websites, and two states have done so as an executive branch initiative. A survey of the New England states and a small sample of several other states revealed two types of transparency websites:

1. state-operated websites that track all state agencies' expenditures, including higher education institutions and their dependent units (five states),

and

2. institution-operated websites that post only the institution's expenditures for public viewing (three states).

### TRANSPARENCY WEBSITES TRACKING HIGHER EDUCATION

Five New England states utilize a statewide transparency website that is required by law to track state expenditures, including those for higher education (Vermont's website does not include higher education). The other states in our sample -- Arkansas, Michigan, and South Carolina -- have laws requiring the institutions to establish and maintain transparency websites on their homepages.

Both state- and institution-operated transparency sites typically display similar types of data, including contracts and vendors, transaction dates and amounts, and related department or transaction identification information.

Table 1 describes states with transparency sites that track all state agency expenditures, including higher education. It provides a link to each state’s website, identifies who must maintain it, describes its contents, and cites the statute specifying the required contents.

**Table 1: States with Transparency Sites for All Agencies, Including Higher Education Expenditures**

<b>States &amp; Websites</b>	<b>Site Maintainer(s)</b>	<b>Site Contents</b>	<b>Statutory Citation</b>
Connecticut, <a href="#">Transparency CT</a>	Connecticut General Assembly’s Office of Fiscal Analysis, with data provided by the Office of the State Comptroller	<p>Lists state-appropriated expenditures, including vendor contracts and grants</p> <p>Describes expenditures by agency or department, funding source, line item, account, and amount</p> <p>Tracks the following higher education organizations’ expenditures:</p> <ul style="list-style-type: none"> <li>• Board for Academic Awards (Charter Oak State College)</li> <li>• Board of Regents for Higher Education</li> <li>• Connecticut State Universities</li> <li>• Department of Higher Education</li> <li>• University of Connecticut</li> </ul>	<a href="#">CGS § 2-53/</a>
Maine, <a href="#">Maine Open Checkbook</a>	Office of the State Controller, under the direction of the Maine Department of Administrative and Financial Services	<p>Includes vendor payments by all state agencies, branches, constitutional offices, independent agencies, boards, and commissions made with state-appropriated funds</p> <p>Tracks University of Maine expenditures by vendor, date, and amount</p>	None; governor’s office initiative
Massachusetts, <a href="#">Informed Massachusetts</a>	<p>Joint effort of :</p> <ul style="list-style-type: none"> <li>• Executive Office for Administration and Finance</li> <li>• Office of the Treasurer</li> <li>• Office of the Comptroller</li> </ul>	<p>Contains an <a href="#">Open Checkbook</a> feature that tracks state agency and quasi-agency spending</p> <p>Lists expenditure transactions by vendor name and amount</p> <p>Tracks the following higher education organizations’ expenditures:</p> <ul style="list-style-type: none"> <li>• Community Colleges</li> <li>• Department of Higher Education</li> <li>• State Universities</li> </ul>	Mass. Gen. Laws Ch 7 § 14C

Table 1 (Continued)

States & Websites	Site Maintainer(s)	Site Contents	Statutory Citation
<p>New Hampshire, <a href="#">Transparent New Hampshire</a></p>	<p>New Hampshire Department of Administrative Services</p> <p>Department of Information Technology</p>	<p>Includes a State Expenditure Register that allows the viewing of spending by agency, activity, accounting unit, expense class, and account detail</p> <p>Lists expenditure transactions by account (individual institutions or systems), date, transaction ID, and amount</p> <p>Tracks the following higher education organizations' expenditures:</p> <ul style="list-style-type: none"> <li>• Community College System of New Hampshire</li> <li>• University of New Hampshire</li> </ul>	<p>NH Rev. Stat. § 9F:1 &amp; 9F:2</p>
<p>Rhode Island, <a href="#">Open Government Transparency</a></p>	<p>Office of Management and Budget</p> <p>Office of Digital Excellence and Division of Information Technology</p> <p>Rhode Island Interactive (state vendor)</p>	<p>Provides expenditure data for certain state agencies according to category, agency, payee, and program (working to include additional agencies in the future)</p> <p>Lists expenditure transactions by date, payee, program/subprogram, agency, and amount</p> <p>Tracks the expenditures of the Board of Governors for Higher Education (University of Rhode Island and Rhode Island College are payees)</p>	<p>Governor's initiative, Executive Order 13-01</p>

Sources: State- and institution-level transparency websites (see hyperlinks)

Table 2 identifies the states that require individual higher education institutions to monitor their own transparency sites. It provides sample links to state institutions' websites, identifies who must maintain them, describes their contents, and cites the statute specifying the required contents.

**Table 2: States Requiring Institution-Operated Transparency Sites**

<b>States</b>	<b>Site Maintainer(s)</b>	<b>Site Contents</b>	<b>Statutory Citation</b>
Arkansas, example website: University of Arkansas, <a href="#">OpenUA</a>	Individual state-supported higher education institutions	Requires institutions to: <ul style="list-style-type: none"> <li>• show expenditure data on their own websites</li> <li>• update their website annually</li> <li>• retain data for 10 years, beginning with FY 13</li> </ul> <p>Requires websites to show expenditure data about the purpose, amount, payor, and vendor payee (excluding pending litigation expenditures)</p> <p>Allows state department of higher education to promulgate rules and internal guidelines about these websites</p>	ACA § 6-61-137
Michigan, example website: Michigan State University, <a href="#">State Reporting – FY 15</a>	Individual public higher education institutions; state budget director monitors for compliance	Requires public community colleges and universities to post and maintain on their website homepage a comprehensive report categorizing all general fund expenditures within 30 days after adopting an annual operating budget	Public Act No. 60, Sections 209 & 245 (2013)
South Carolina, example website links provided on the Comptroller General's <a href="#">website</a>	Individual public higher education institutions	Requires: <ul style="list-style-type: none"> <li>• institutions to maintain a transaction register that includes a complete record of all funds expended from any source for any purpose</li> <li>• registers to include each expenditure's transaction amount, payee, transaction identification number, fund source, category title, and object title</li> <li>• institutions to post the register on their website for public viewing and downloading</li> </ul>	SC Code § 59-101-670

Sources: Education Commission of the States; state- and institution-level transparency websites (see hyperlinks)

## **HYPERLINKS**

Transparency CT, <http://www.transparency.ct.gov/html/main.asp>, last visited October 14, 2014.

Maine Open Checkbook, <http://opencheckbook.maine.gov/transparency/about.html>, last visited October 14, 2014.

Informed Massachusetts, <http://www.mass.gov/informedma/spending/>, last visited October 14, 2014.

Massachusetts Open Checkbook, <http://opencheckbook.itd.state.ma.us/analytics/saw.dll?Dashboard>, last visited October 14, 2014.

Transparent NH, <http://www.nh.gov/transparentnh/>, last visited October 14, 2014.

State of Rhode Island Open Government Transparency, <http://www.ri.gov/opengovernment/>, last visited October 14, 2014.

University of Arkansas, OpenUA, <http://openua.uark.edu/>, last visited October 14, 2014.

Michigan State University, State Reporting – FY 2015, <http://www.msu.edu/state-transparency-reporting/>, last visited October 14, 2014.

South Carolina Comptroller General, Higher Education Spending Transparency, <http://www.cg.sc.gov/higheredspendingtransparency/Pages/default.aspx>, last visited October 14, 2014.

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