

# Coalition for an Accountable Recovery

With an economy that is contracting, unemployment increasing, and businesses failing, the federal government is spending trillions of dollars to promote recovery. However, the Troubled Asset Relief Program (TARP) is a catastrophic start. The Coalition for an Accountable Recovery was formed to promote accountability policies for both government agencies and companies that contract with or benefit from recovery spending. Seizing 21<sup>st</sup> technology tools and precedents from states and cities, taxpayers deserve transparency and accountability in all new recovery efforts.

The emerging American Reinvestment and Recovery Act contains laudable transparency and reporting rules, but they should be strengthened. Oversight reports will be posted to a new Recovery.gov website, along with data about uses of funds, the jobs created or saved, and the quality of those jobs.

Members of the Coalition for an Accountable Recovery have diverse views about the size of the stimulus and the projects it should support, but ***all agree that there must be requirements for detailed data and research tools on a searchable website to allow the public to effectively track and analyze the actions of the government (federal and state) – as well as bailed-out companies, subsidized companies, and government contractors – to judge how any recovery funds, including those to the financial sector, are being spent.***

Transparency is crucial for three reasons. Only by carefully tracking expenditures will public officials be able to judge the ***effectiveness*** of public investments and be able fine-tune or shift spending to achieve maximum results. If spending is intended to create or preserve jobs, then that should be one factor on which to judge the spending. Understanding which communities, companies, and individuals are supported by recovery efforts is a basic ***fairness*** issue. Without tracking, some communities or sectors could be systematically excluded from support, while well-connected entities may get special deals. Reporting and oversight are necessary to ensure ***the honest and ethical use*** of public funds. Without transparency, we could see pay-to-play scandals and corruption on a massive scale. Americans have a right to know how and where public dollars are being spent.

Our polling confirms that Americans want government action to revive the economy. But they want sensible, transparent, accountable government action. They want to understand the choices government officials are making, and to know what works and what doesn't. This is new economic terrain and we may need a number of ways to jumpstart the economy. But we can only determine what works and what doesn't by tracking costs and benefits all the way down to local communities and projects.

## **A Simple Ask: Public Tools to Conduct Oversight**

The government should require online reporting that allows the public to easily search, sort, track and download data on the use of recovery funds including specifics of each state's data. Starting with the Recovery Act, each state should be required to report on the funds received from the federal government, including information about federal subcontracts. The information should be provided in a uniform way, compatible with the federal USASpending.gov website. New Web 2.0 methods for sharing data across websites must be applied to the Recovery.gov website, state websites, and USASpending.gov. State websites need to provide comparable data about state spending. An online tool and an automated hotline should be established for citizens and government workers to report any misuse of Recovery Act funds.

## **Detailed Data**

For taxpayers and public officials to effectively oversee the use of such large sums of money, government must collect detailed, uniform information. Since much of the Recovery Act money will be spent by state governments, it is imperative that the federal government establish reporting standards and online reporting mechanisms that each state entity receiving funds would be required to use. The federal

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government should explore expanding current reporting mechanisms, but if they prove too limited, slow or difficult to use, then new reporting structures should be established as quickly as possible. Distribution of federal funds should be conditioned on satisfactory reporting by recipients and sub-recipients of federal funds.

Fundamental data points that should be tracked at the federal and state level include, but are not limited to: (a) information currently collected by USASpending.gov; (b) the activity/services to be provided under the contract, grant, loan or subsidy, including copies of the contract; (c) relevant performance measures (e.g., jobs saved or created, wages and benefits paid for such jobs, demographics of those hired); and (d) performance data about the recipient of federal funds (e.g., on-time performance, quality of work). There should also be strong requirements for timely reporting and posting of this data, preferably every 30 days after receiving Recovery Act funds.

### Online Tools

Currently, USASpending.gov presents information on federal contracts, grants, loans and payments, including whether the money was competitively awarded. Additionally, many states also have websites disclosing some state contracts and spending information, although there are enormous inconsistencies from state to state on what is reported and how it is presented. States should be required to apply the new functions and standards established by the Recovery Act to their existing reporting websites, ushering in a new standard for open government across the country. Tools for mapping geographic patterns, graphing trends, and downloading detailed data for further analysis must be a part of the national website system.

(alphabetically)	Consumers Union	Progressive States Network
21st Century School Fund	Economic Policy Institute	Project on Government Oversight
Building Educational Success together (BEST)	Good Jobs First	Public Citizen
Center for Cities and Schools	Moms Rising	Public Knowledge
Center for Community Change	National Institute for Money in State Politics	Smart Growth America
Center for Economic and Policy Research	National Taxpayers Union	Sunlight Foundation
Center for Fiscal Accountability	National Training and Information Center	Taxpayers for Common Sense
Center for Responsive Politics	OMB Watch	Transportation Equity Network
Center on Policy Initiatives	Open Technology Initiative/New America Foundation	United States Public Interest Research Groups
Common Cause	OpenTheGovernment.org	WashingtonWatch.com
Consumer Federation of America	Partnership for Working Families	
	PICO National Network	