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How Accountability and Transparency Are Improving Public Finance.

These buzzwords can instill fear and trepidation in even the most progressive and tech-savvy public officials, but open information really does improve how cities operate.

This is part of an ongoing series called Finance 101 that goes back to the basic to help public officials.

Let's face it – accountability and transparency are great buzz words but they can also instill fear and trepidation in even the most progressive and tech-savvy of public officials. After all, the more information you put out there, the more vulnerable to attacks you can be, right?

It's not that this is wrong so much as putting the information out there should encourage better behavior and improve the performance of the city. Vulnerable to attacks isn't a problem if employees are doing a good job, right?

In Baltimore, for example, top officials have pushed for more performance accountability. Citistat, a program that uses real-time data to track performance, was introduced in 1999. (The idea was based on a similar program the New York City Police Department started in 1994 to reduce crime.) Four years ago, Baltimore moved to outcomes-based budgeting, a process that identifies services that most efficiently meet citizens' needs, allocated money to agencies to provide those services and monitors agency performance on meeting their goals. And in 2011, Mayor Stephanie Rawlings-Blake introduced Open Baltimore, a website loaded with city data ranging from employee salaries to traffic camera violations.

"Every step of the way you should anticipate getting pushback from whoever's been there the longest," Rawlings-Blake said recently at the U.S. Conference of Mayors winter meeting in Washington, D.C. "Making all the data as real time as possible doesn't sit well with some people."

But she and others who have taken the plunge extoll its benefits. For one, it give the chance for regular citizens to notify the city about any mistakes they see. In Baltimore, residents earned the city revenue when they saw that the wrong type of property tax was being collected on a building. Of course, Rawlings-Blake said, she'd prefer her employees catch the error but "ultimately I'm more concerned about fixing the problem, not who caught it."

But even more importantly, focusing on data and results has allowed Baltimore to hone a 10-year plan financial plan that uses the data to both take stock of its starting point and to outline its future. In other words, you have to know where you are order to figure out how to get to your destination.

"Long-term planning is at the heart of being accountable for your city's future," Rawlings-Blake. "I know how tempting it is to make financial decisions that postpone tough choices. I think we inherited a lot of those decisions."

In Louisville, Mayor Greg Fischer has embraced "a culture of auditing." Like Baltimore, Louisville

has adopted aggressive performance and data-based reporting aimed at improving the city's day-t--day performance. One of LouieStat's high-profile successes so far is the drastic reduction of fingerprinting errors made by employees at the city's jail, which dropped from more than 300 per month to fewer than 10. When Fischer, who was a Governing Public Official of the Year in 2013, took office in 2011, audits between 2008 and 2010 had tallied a total of 17 material weaknesses and 42 deficiencies related Louisville's financial statements. Last year, Fischer said, there were zero deficiencies.

Positive results change attitudes, Fischer said. "Now [employees] don't say, 'Oh no the auditors are coming, we got to get ready for them,'" he said. "I'm not sure anyone's celebrating, but they at least don't grumble about it publically anymore."

And as far as making the city vulnerable to attacks or "gotcha" journalism? Rawlings-Blake advises that providing this information is mostly useful in terms of improving performance, which city employees want to do. And residents appreciate this effort at improvement. Spend time talking to the people who show up at your citizen forums, she said, and listening to what they need.

"When actual taxpaying citizens…come [to these forums], they like the discussion," she said. "And they appreciate being able to give their feedback on the current problems we face."

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