

Open Data in the New York City Comptroller's Office

Vanessa Champion and Tina Kim

Conventional Wisdom

**No one was ever promoted for
disclosing information**

Federal Government Employee,
OMB Watch, 2009



Federal Memorandum

January 20, 2009

President Obama signed the [Memorandum on Transparency and Open Government](#), stating, *"Information maintained by the Federal Government is a national asset. My Administration will take appropriate action, consistent with law and policy, to disclose information rapidly in forms that the public can readily find and use."*



Federal Executive Order

May 09, 2013

**Executive Order -- Making Open and Machine
Readable the New Default for Government
Information**

EXECUTIVE ORDER

***MAKING OPEN AND MACHINE READABLE THE
NEW DEFAULT FOR GOVERNMENT
INFORMATION***



Federal Open Data Links

- <http://www.data.gov/>
- <http://www.whitehouse.gov/open/around>

USDA

Data Sets: Dozens of published datasets have been deemed high-value and remain popular among the public, including:

- Supplemental Nutrition Assistance Program Participation and Cost Data
- MyPyramid Raw Food Data
- Farmers Markets Geographic Data
- Biotechnology Regulatory Services public data file (permits, notifications, and petitions)
- Census of Agriculture Race, Ethnicity and Gender Profile Data
- Federal Cost of School Food Program Data
- Meat, Poultry, and Egg Inspection Directory by Establishment Name
- Agricultural Research Service (ARS) Available Technologies



Open Data Sites

- <http://www.data.gov/opendatasites>



Local Law 11 of 2012 – Publishing Open Data

SUMMARY OF LEGISLATION: Local Law 11 (2012) creates an open data policy for the City of New York. Open data means that the data generated by the government should be available to the public to the greatest extent possible over the Internet without license or registration and in a format that permits everyone to access and analyze it.



Open Data Policy

- The City's open data policy ensures ongoing access to public data according to the following timeline:
- The City must deliver qualifying agency data already publicly available on [NYC.gov](http://nyc.gov) by March, 2013.
- All agencies must publish compliance plans by September, 2013.
- These plans will be updated each year and will together serve as a roadmap for agencies to post their datasets to a single Web portal by 2018.



NYC Open Data

- <https://nycopendata.socrata.com/data?cat=city%20government>
- Over 750 datasets are available for free, at any time via the NYC Open Data portal on [NYC.gov](https://nyc.gov). Today NYC Open Data represents datasets from nearly 40 City agencies, including public safety data, buildings complaints, restaurant inspections and real-time traffic numbers. This repository is a core component of the City's open data efforts, representing a revolutionary approach to storing and publishing City data in a searchable, sortable and customer-friendly manner.



Why Open Data

- Transparency
- Accountability
- Innovation (Big Apps)
 - How can the City do its job better
 - As a tool for economic development



Benefits to Auditors

- *Open systems allow external contribution*
- *Improves upfront risk assessment*
- *Provides increased insight*



Open Data and the Audit Process

Data Analytic Strategy: Tools

Tier I

- IT Group (Various)

Tier II

- ACL

Tier III

- Acerno



Open Data Sets

Training:

National Experts in Public Data Sets

- In person
- Webinars

Knowledge Repositories:

- Audit Bureau Electronic Library
- Delicious-Link Sharing



Standby Contracts

- Use of contract (snow event)
- Submission of invoices – payments
- Required equipment



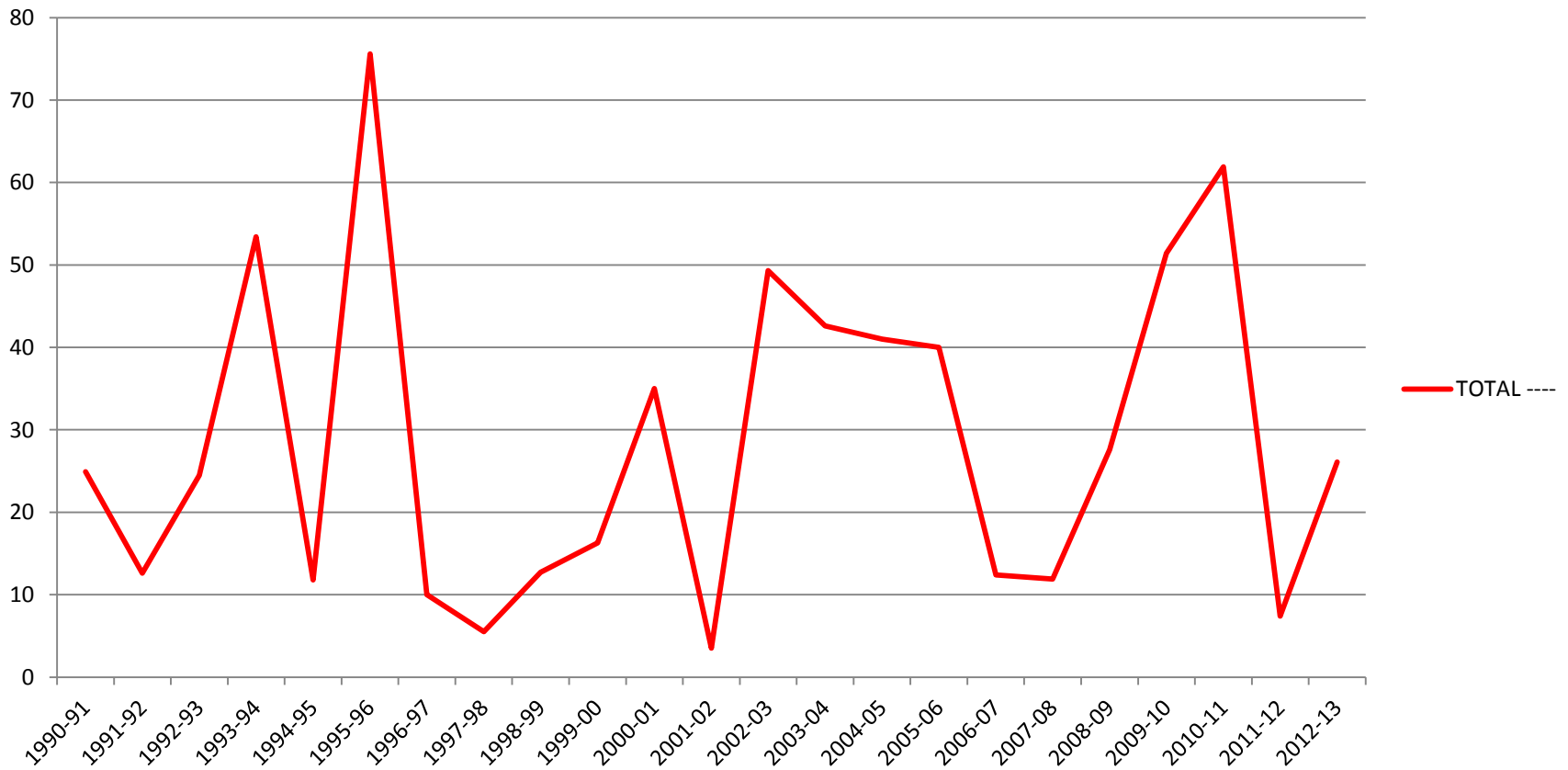
Example: Snow Contracts Risk Assessment

- Open data sources:
 - NOAA Weather Data
 - Monthly Snowfall Historic
 - Frequency Data of Heavy Snowfall Historic (by Month)
 - Checkbook 2.0
 - Payment History
 - Contract History
- Not open data sources:
 - DMV



Total Annual Snow Fall

Central Park



Monthly Snowfall

SEASON	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2011-12	0	0	0	2.9	0	0	4.3	0.2	0	0	0	0	7.4
2012-13	0	0	0	0	4.7	0.4	1.5	12.2	7.3	0	0	0	26.1

SEASON	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2011-12	0	0	0	0	0	0	0	0	0	0	0	0	7.4
2012-13	0	0	0	0	0	0	0	2	0	0	0	0	26.1

My Money



Presentation for NYSICA and AGA

Introduction

- John Liu acts as the CFO for the City of New York and is responsible for:
 - Auditing City Agencies
 - Reviewing City Procurement
 - Managing the Debt Obligations and Pension Systems
 - And Reconciling Accounting and Legal Settlements

Why is Transparency so Important?

“Anytime you open up more information to the public, it’s natural that some people may feel nervous, but more importantly, it will change, and I believe it has already changed the way city agencies, including our office, do their work, with an eye towards saving taxpayers money.”

- John C. Liu (July 1, 2010)

Goal

Build the best financial transparency website in the United States by:

“... deliver full accountability and **transparency** in the spending of New Yorkers' hard-earned tax dollars.”

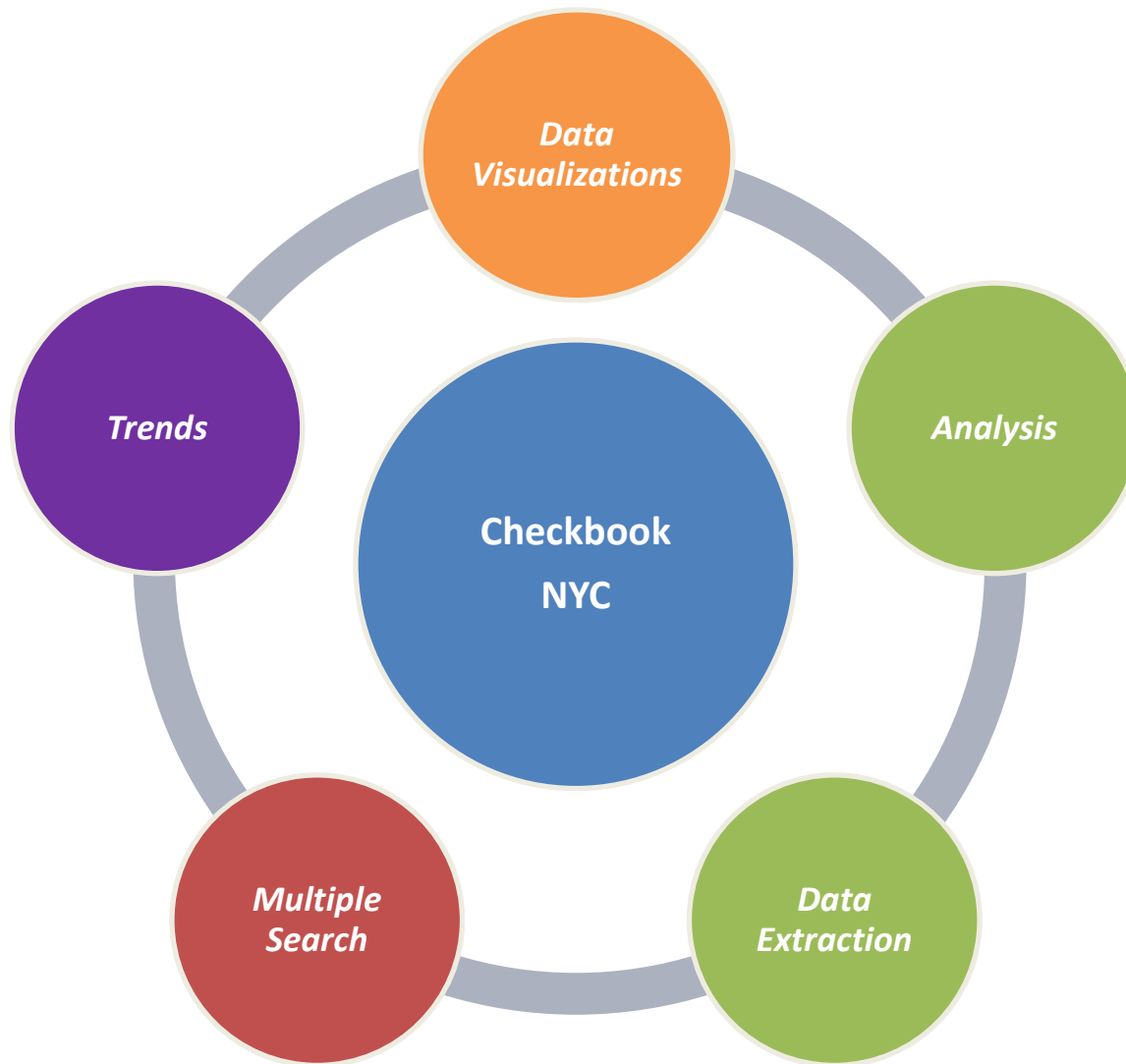
- John C. Liu
(2009 Voter Guide)

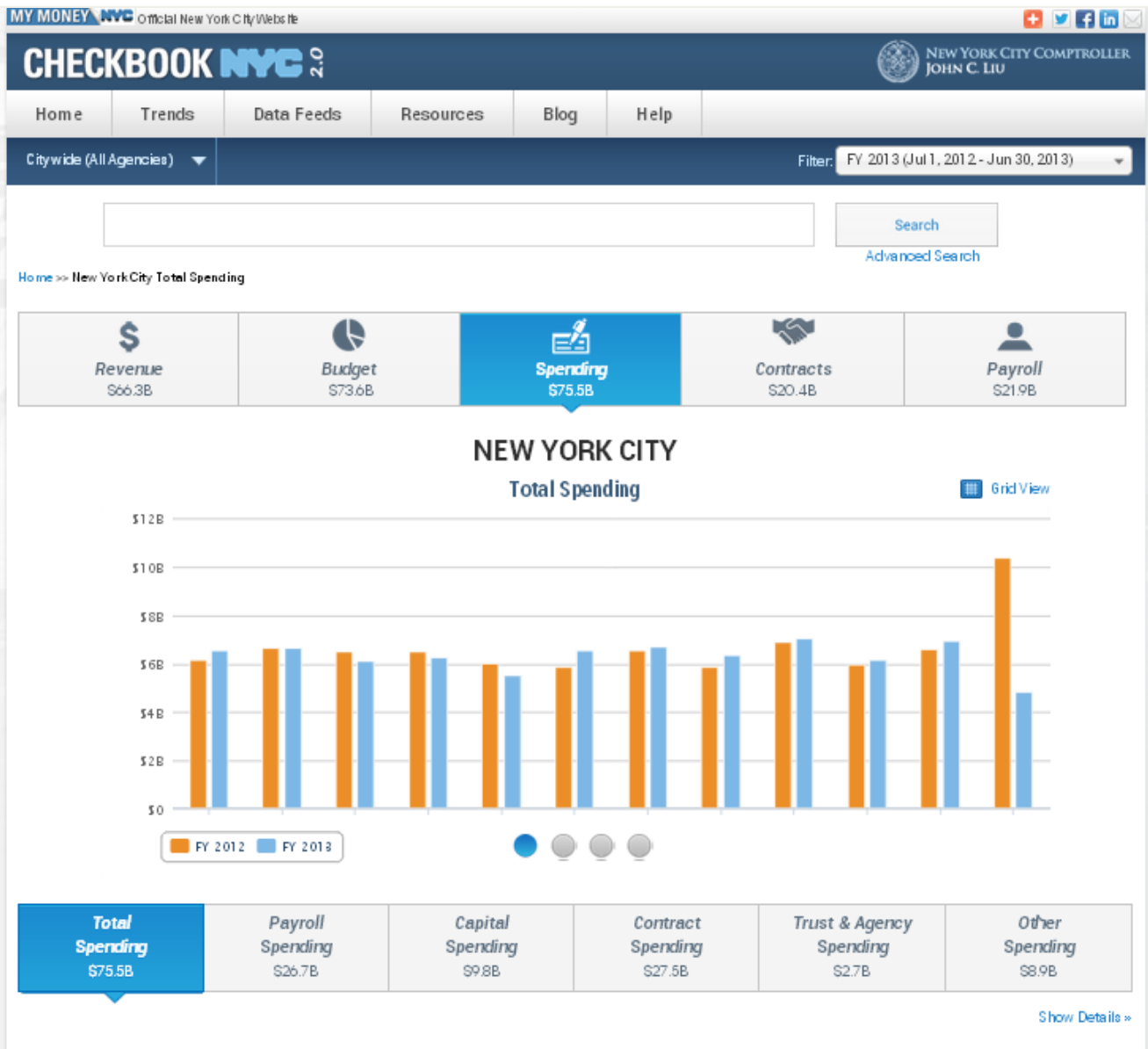
1. *Liberating the data from the City's primary financial system (FMS)*
2. *Making the site user-friendly*
3. *Utilizing open source technologies to facilitate continuous improvement*

Domains



Features





Next Frontier: How New York City is Bringing Transparency to Sub-Contract Data

Domains



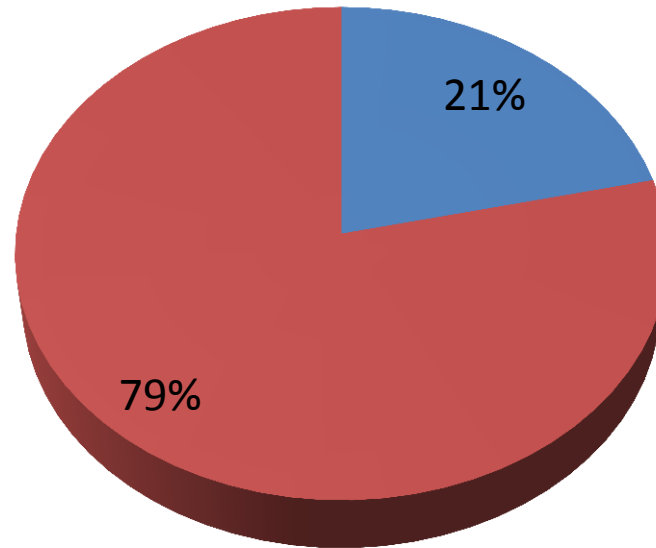
New York City Procurement

- New York City's budget is roughly \$70 billion annually and we spend anywhere from \$11 billion to \$15 billion on external procurement and like other states and municipalities, vendors often subcontract work.

New York City Procurement

New York City Budget

■ External procurment ■ Remaining Budget



Why Subcontracting?

- Beginning in 2010, our audit division found that city agencies were not effectively monitoring the record keeping of prime contractors or verifying subcontractor payments.
- Records were being kept on an individual basis and often on paper.

CityTime

\$500 Million in Fraud



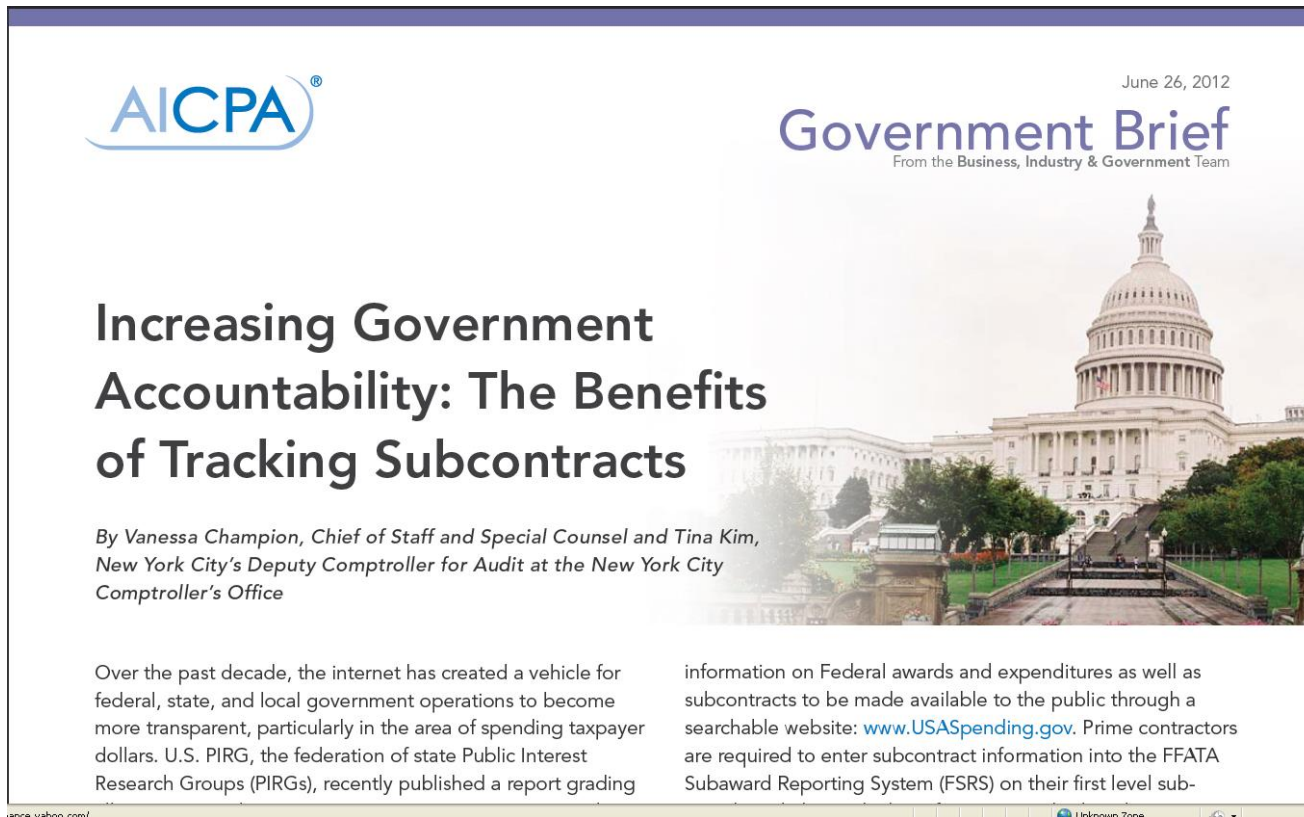
New York City Comptroller
John C. Liu

A Way Forward

- After multiple audits and CityTime New York City needed to do a better job of creating transparency around procurement lowering the risk of fraud

NYC Subcontract Model

- Putting forward the idea and plan



The image shows the cover of a document titled "Government Brief" from the AICPA. The date "June 26, 2012" is in the top right. The main title is "Increasing Government Accountability: The Benefits of Tracking Subcontracts". The authors are "By Vanessa Champion, Chief of Staff and Special Counsel and Tina Kim, New York City's Deputy Comptroller for Audit at the New York City Comptroller's Office". The background features a photograph of the U.S. Capitol building. At the bottom, there is a paragraph of text about transparency and a link to www.USASpending.gov.

AICPA[®]

June 26, 2012

Government Brief
From the Business, Industry & Government Team

Increasing Government Accountability: The Benefits of Tracking Subcontracts

By Vanessa Champion, Chief of Staff and Special Counsel and Tina Kim, New York City's Deputy Comptroller for Audit at the New York City Comptroller's Office

Over the past decade, the internet has created a vehicle for federal, state, and local government operations to become more transparent, particularly in the area of spending taxpayer dollars. U.S. PIRG, the federation of state Public Interest Research Groups (PIRGs), recently published a report grading information on Federal awards and expenditures as well as subcontracts to be made available to the public through a searchable website: www.USASpending.gov. Prime contractors are required to enter subcontract information into the FFATA Subaward Reporting System (FSRS) on their first level sub-

ance.yahoo.com/

Unknown Zone



New York City Comptroller
John C. Liu

A Way Forward, Models

- **NYC:** Agencies are responsible for collecting sub-contracting data from prime contractors and entering the information in FMS.
- **NYS:** Prime contractors are required to submit a work plan with listed subcontractors.
- **Federal:** Prime contractors, rather than agencies, are required to provide sub-contracting data through a new online system.

Federal Model

The Federal Funding Accountability and Transparency Act (FFATA) Reporting Requirements

- Prime contract awardees of Federal contracts of \$25K or more must report the following data pertaining to first-tier sub-contracts of \$25K or more:
 - Name of entity receiving award
 - Amount of award (obligated amount)
 - Funding agency
 - NAICS code for contracts / CFDA program number for grants
 - Program source
 - Award title descriptive of the purpose of the funding action
 - Location of the entity (including congressional district)
 - Place of performance (including congressional district)
 - Unique identifier of the entity and its parent;
 - Total compensation and names of top five executives (prime or sub-awardee)
 - Reported Monthly when award is granted

FFATA Sub-Contracting Transparency

General Services Administration [US] <https://www.fsrs.gov/?startover=1#top>

on Research | News | Transparency | Shopping | Personal | Divestment | Groupon

Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)

Log-In or Register Now:

FEDERAL GOVERNMENT | **AWARDEES**

Please use Internet Explorer 6.0+, Mozilla Firefox 2.0+, or Apple Safari 3.0+ to access FSRS.

About FSRS | **FAQs**

About FSRS

The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006. The intent is to empower every American with the ability to hold the government accountable for each spending decision. The end result is to reduce wasteful spending in the government. The FFATA legislation requires information on federal awards (federal financial assistance and expenditures) be made available to the public via a single, searchable website, which is www.USASpending.gov.

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usaspending.gov

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- Spill Contracts
- ction Contracts
- g Assistance
- Assistance
- ch and Development Contracts
- Education Grants

Spending Trends

See Federal Spending on Grants and Contracts over time

What's new

Find out what new features have been added to the site.

To sign up for updates or to access your account preferences, please submit your email address.

email

Now tracking sub-award data

Includes sub-award grant data.

PIP – Payee Information Portal

Welcome to the Payee Information Portal of the City of New York

The Payee Information Portal is a service that allows you, as a payee/vendor for the City of New York, to manage your own account information, view your financial transactions with the City of New York and much more. Click on the Activate button to begin filling out an electronic application to become a payee/vendor for the City of New York.

Announcements

06/14/2011
Please note: PIP supports Acrobat 8.0 and IE7. Please upgrade to IE 7 if you have not yet done so.

05/14/2012
Note: if you see an Agreement with an ID prefix of 2013, or a Scheduled Payment dated July 1, these are transactions created for the upcoming new fiscal year which will begin July 1. See FAQs (last section) for more details.

01/13/2011
Paper Check Fee Advisory

Starting on January 1, 2011 the City will begin charging a \$3.50 fee per paper check and periodically deducting the fees owed by the paper check recipient from future payments. The fee applies to the processing of paper checks, drafts or similar paper instruments, written for payments issued through the City's financial management system.

This fee, authorized under the Rules of the City of New York - Title 19, Department of Finance, section 9-01 of Chapter 9, is to cover the costs related to the processing of paper checks, drafts or similar paper instruments, written for payments issued through the City's financial management system and to encourage greater use of Electronic Funds Transfer (EFT) by those receiving payments from the City of New York.

Payees are encouraged to sign up for EFT at the Department

Contacts

Click on link below to view the list of contacts for departments within The City of New York.

[Department Contacts](#)

Forms

Click on a form below to either save it to your desktop or open it in Adobe.

[Activation Quick Start Guide for Payee/Vendor](#)

[EFT Application Form and Instructions](#)

[MWBE Application](#)

[Access forms](#)

[Help](#) [Contact Us](#) [Privacy Report](#)

User ID

Password

Login

[Password Reset](#)

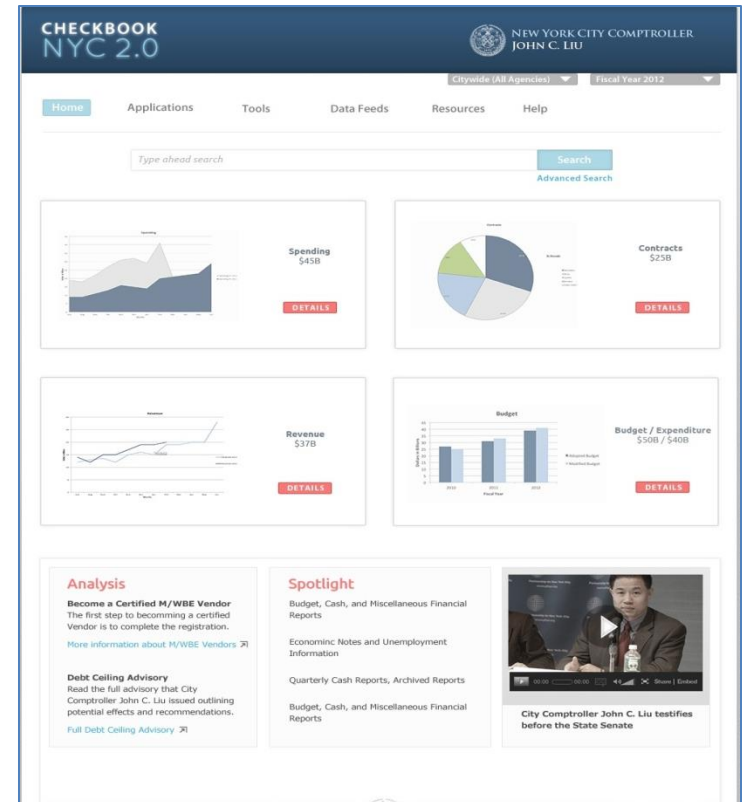
Click the Activate button to activate a new or existing account.

Activate

https://a127-pip.nyc.gov/LoginExternal/Forms/MWBE_Application.pdf

Implementation and Transparency

Payee Information Portal



Implementation Plan

- **Phase 1:** Reporting subcontracts under city-awarded contracts valued greater than or equal to \$1,000,000 starting March, 2013.
- **Phase 2:** Reporting subcontracts under city-awarded contracts and orders valued greater than or equal to \$250,000 reporting starting June, 2013.
- **Phase 3:** Reporting subcontracts on Checkbook NYC, starting in 2014.



Reactions

Response

- “Digitizing and reporting subcontractor payments is a huge leap forward in accountability and transparency. Though somewhat dry and esoteric, this new reporting system has big implications for reducing corruption and improving efficiency, and when fully in place, will make New York City one of the most fiscally transparent cities in the world.” said **John Kaehny**, Executive Director of Reinvent Albany and Co-Chair of the **NYC Transparency Working Group**.

Response

- “New Yorkers will be getting a much more complete picture of how contractors and subcontractors are spending their tax dollars, thanks to Mayor Michael Bloomberg and Comptroller John Liu,” said **Gene Russianoff**, senior attorney for the **New York Public Interest Research Group**.



Response

- “This initiative improves transparency of New York City’s operations and is an important step forward for facilitating oversight of the city’s contracting operations,” said **Citizens Budget Commission** President **Carol Kellermann**.

Response

- “Given the large size of certain contracts, it is important to provide New Yorkers with greater detail regarding those subcontractors who perform services for the city of New York. This new level of detail will give New Yorkers more information on how their tax dollars are being spent and on whom. Such greater public scrutiny could result in cost savings.” said **Dick Dadey**, Executive Director of **Citizens Union**.