



The Center for Public and Corporate Governance and the City of Caguas launch the municipal transparency and accountability website



Mayor William Miranda Torres announces the launching of the City's transparency and accountability website (<https://caguas.gov.pr/transparencia/>), which make it easier for citizens to find information, access services and engage with local government. Since 2017 the Governance Center

has been advising and supporting the municipality of Caguas in the implementation process related to the findings and recommendations contained in the Governance Center's research study on *Transparency, accountability and fiscal responsibility practices in Puerto Rico's municipal government*.

Caguas is the first municipality to adopt a transparency and accountability project on the island. "It is our obligation to publish, in a dynamic and continuous manner, all information of public interest that is related to our municipality. Favoring access to public information increases the level of credibility and trust of the business sector and citizens towards government. I thank the Center for Public and Corporate Governance, who, beyond evaluating and diagnosing the condition of the municipalities with respect to these issues, have assisted us, hand in hand, advising us at no charge to move from theory to execution", expressed Miranda Torres when presenting the project.





The purpose of the research study was to examine the practices of transparency, accountability and fiscal responsibility in the municipal governments of Puerto Rico. The objective of the study was to diagnose and identify the municipalities' level of readiness, areas of strength and weaknesses when implementing better good governance practices aimed at strengthening transparency in management at the local level. Emphasis on financial transparency data collected from each municipality was presented in dashboards for a better understanding of the municipal government's fiscal and budgeting practices.

This research analyses the administrative and fiscal management practices and the legal framework that outline the normative principles that regulate transparency, accountability, and fiscal responsibility in municipal governments. This analysis was performed in order to identify the advances and challenges in building a municipal government management system that generates trust and credibility in entrepreneurs and investors, and provides citizens with greater transparency and accountability, and mechanism to supervise their representatives and leaders.

The findings and recommendations resulting from this study will allow the formulation of public policy to improve the practices of transparency, accountability and fiscal responsibility as a tool to strengthen the governance capacity of municipalities. An open, transparent and accountable governance will enable short, medium, and long term strategic results in terms of quality of life, prosperity, and competitiveness for citizens and entrepreneurs, and to enhance service delivery to satisfy citizens' needs in a more effective, agile, and efficient manner. "With the implementation of transparency and accountability practices, the Municipality will achieve greater confidence and credibility among entrepreneurs and investors to promote an increase in economic activity," said Rafael Durand Aldea, MBA.

In order to put in place the conceptual transparency system framework recommended in the study the municipal government enacted a municipal regulatory framework to adopt a transparency and accountability public policy to strengthen good governance practices. This ordinance imposes on the municipality the responsibility for the disclosure of the detailed budget proposal, including the specific computation of projected revenues; reports





of results obtained during the previous year; the approved budget; quarterly review documents and transfers of budget items; end of fiscal year report; reports of internal or external audits on the executed budget; and any other document related to budget management.

Dr. Eneida Torres de Durand, Executive Director of the Governance Center explains that “Governmental transparency is the ability to find out what is going on inside government.” Transparency has long been considered a cornerstone of good governance (Hood, 2010). Transparency is the principle that allow those

affected by administrative decisions to access specific results, facts, budget and financial figures and about management process that resulted in those decisions. Transparent governance means that government officials act openly with citizens’ knowledge of the decisions officials are making. Transparency also enables the free flow of information among public agencies, citizens and private institutions, allowing input, review, scrutiny and criticism of government actions and thereby increases the quality of governance.

The research study emphasizes that local governance refers to the set of formal and informal rules, structures and processes which determine the ways in which citizens and organizations can exercise power over the decisions which affect the wellbeing at the local level. The effectiveness of municipal governance depends on a wide range of factors: political, social and economic. It is widely accepted that transparency, accountability and fiscal responsibility are key issues of our times especially in the way they relate to good governance and anticorruption. It can improve decision making (Bok 1989), impede corruption (Bertot, Jaeger, and Grimes 2010), enhance accountability (Pina, Torres, and Royo 2007), and foster a more informed and understanding citizenry (Cook, Jacobs, and Kim 2010). When taken together, the varied benefits of enhanced transparency should culminate in more responsive and trustworthy public organizations (Goetz and Jenkins 2001; Welch, Hinnant, and Moon 2005; Kim and Lee 2012). Therefore, recent attempts by local governments to enhance good governance practices have generally been welcomed.



"The implementation in the Municipality of Caguas of the international indicators related to transparency and accountability practices adopted by the municipal governance system raise the bar to the next level," said Dr. Saúl Pratts Ponce de León. International best practices as well as the academic coursework suggests that public sector activity



should be, to the extent possible, performed by the local level of government. To enable the public to accurately understand what their government is doing, information that is publicly disclosed must be comprehensive in the sense that it touches upon the issues necessary to understand the actions taken by the govern-

ment. There are several frameworks that have been developed to provide a more systematic understanding of the types of information necessary to enhance “government transparency.”

Since the beginning of 2017, the City of Caguas has been working with a result-minded employee team in the website design process. The collaborative group focus on three goals to help citizens, employees and other web users: stay informed, connect to information, complete day to day actions. The aforementioned web site publishes information in the following categories:

- 1- Municipal Organization
- 2- Citizen Engagement
- 3- Fiscal Transparency
- 4- Contracting Services Transparency
- 5- City Planning, Public Works and Environment

“Now citizens have additional mechanisms to participate in the municipal operational processes which increases their capability to understand and oversee municipal management,” expressed Dr. Torres de Durand

The new web site is also designed to be simple, intuitive, sustainable and reliable. Mayor Miranda Torres reflected on the extensive collaborative process “there are some many people to thank who have gotten us where we are today. From the researchers of the Governance Center who helped create this partnership to the municipal employees who have worked so hard... the City of Caguas has a transparency and accountability site which we should be proud of.”

To access the research study click here

<http://centrodegobernanza.com/wp-content/uploads/2018/04/Transparency-accountability-and-fiscal-responsibility-practices.pdf>

To access the video of the press table click here

<https://www.youtube.com/watch?v=4yUtNWjjzAw>

To access the press article published by El Nuevo Día, click here

<https://www.elnuevodia.com/negocios/finanzas/nota/caguasseembarcaenunproyectederendiciondecuentas-2442376/>