

## Raising Our Game

AGA is committed to fulfilling a public interest obligation to advance government accountability. Government financial reporting that expresses complex financial details in an understandable form, delivered in a timely manner, is the key to strengthening our democracy and has the potential to bring major socio-economic benefits.

The survey findings reveal that the public perceptions of government accountability and transparency are far from favorable. Identified problems with governments' desire to share information and their competence in actually doing so, has resulted in a system at federal, state and local levels that disappoints and breeds mistrust. The implication is clear—traditional forms of communicating financial information to taxpayers are not working.

AGA members working in government at all levels are in the very forefront of the fight to increase levels of government accountability and transparency. AGA believes that the traditional government financial communications—reams of audited financial statements that, though essential, have little relevance to the taxpayer—must be supplemented by government financial reporting that expresses complex financial details in an understandable form. Our members are committed to taking these concepts forward.

AGA believes that government financial information should be provided in forms that are:

- **Clear and understandable:** Reams of audited financial statements are of limited use to the average taxpayer. While we believe the preparation of audited financial statements should be continued, other government financial reports should be designed with the end-user in mind.
- **Updated regularly and often:** Government financial information should be updated periodically, to ensure that citizens have an accurate picture of how a government's finances stand at any given moment.
- **Delivered to all and easy to locate:** Government should actively deliver financial information to its citizens, via the media, direct communications and digital means. Accurate current information should also be available to citizens who desire it, via the Internet and other means.
- **Honest in breadth and technically accurate in detail:** Government financial information should be provided with openness and honesty as their guiding principles; information should be comprehensive and complete, and prepared by expert government financial managers.

Through educational programs, including the Certified Government Financial Manager (CGFM) certification; ground-breaking research; recognition programs for financial reporting at state and federal levels; and through the innovative Citizen-Centric Reporting Program, which makes a standardized, user-friendly four-page reporting format available to state and local governments and federal government departments, AGA hopes to advance the cause of greater government accountability and transparency. AGA believes it is in the public interest to do so.

## About AGA

The Association of Government Accountants is a 15,000-member professional association that serves government accountability professionals by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability. For more information about the Association, visit AGA's website at [www.agacgfm.org](http://www.agacgfm.org).

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# *Public Attitudes Toward Government Accountability and Transparency 2008*

*A Survey Commissioned by the  
Association of Government  
Accountants*

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## Introduction

In January 2008, the Association of Government Accountants (AGA) commissioned a study by leading market research firm Harris Interactive®, to conduct the first in a series of annual surveys of public attitudes towards government transparency and accountability. The objective of this first survey was to establish a baseline understanding of public attitudes, concerning transparency and accountability progress—or the lack of it—which could be tracked annually. A secondary objective was to use the survey findings to raise the profile of this important issue and help to drive the understanding of it among policymakers, government employees and the public.

The survey was commissioned as part of AGA's flagship *Advancing Government Accountability* campaign, which will educate government and the public on the benefits of increased government accountability and transparency. AGA also provides practical programs relating to the education of government financial managers and the reporting of government financial information. The survey findings are a significant contribution toward increased public understanding of the issue, which AGA sees as a vital jumping-off point for reform.

AGA believes that it is difficult to overstate how efficient reporting of government financial information contributes to a healthy democracy. Without accurate fiscal information, delivered regularly, in an easily understandable format, citizens lack the knowledge they need to interact with—and cast informed votes for—their leaders. In this regard, a lack of government accountability and transparency undermines democracy and gives rise to cynicism and mistrust.

This result is reflected in the survey findings, which reveal deep dissatisfaction among the American public with both the availability of government financial information and the way it is delivered to the people. Much of this dissatisfaction has to do with issues of trust and a gap between what the public expects and what is actually delivered. The survey also captured information relating to how the public would use fiscal information, were it provided to them in a usable form.

## The Survey and its Findings

Harris Interactive conducted the research for AGA to serve as a benchmark of attitudes and opinions among the public toward governments' financial management and perceived levels of accountability to the public at all levels.

### Objectives:

- Measure broad perceptions of importance and satisfaction with regard to receiving financial management information from government (local, state, federal).
- Assess the relative importance and performance by government on specific elements of financial management delivery to the public.
- Determine which sources of information American adults rely on for governments' financial management information (local, state, federal) and how this information is used by the public.
- Seek suggestions on how government can improve on its accountability and the delivery of financial information to the public.

### Headlines and Themes:

Government at all levels is failing to meet the needs of its citizens with regard to financial management reporting. There is a large 'expectations gap.'

- The public overwhelmingly believes government has the obligation to report and explain how the government generates and spends its money; however, government is not meeting expectations in any area included in this survey.

Poor performance on financial management reporting has created a problem of trust between citizens and their governments with regard to spending practices.

- Across all levels of government, those surveyed held being "open and honest in spending practices" vitally important but felt that governments did extremely poorly in terms of being "responsible to the public for its spending."

Respondents are specific in the ways in which government can address their needs and improve accountability, including better *reporting* (open disclosure, easy-to-read reports), a change in *attitude in communications* (honesty and transparency) and better *information in the right channels* (websites, through the press).

### 1. The Expectations Gap:

*The American public is most dissatisfied with government financial management information disseminated by the federal government. Of those surveyed, 72 percent say that it is important to receive this information from the federal government, but only 5 percent are satisfied with what they receive.*

Governments are failing to meet the expectations of its citizens, resulting in an 'expectations gap' between the kind of government financial reporting that citizens expect and what they get.

Respondents agreed on the importance of federal, state and local governments' financial management information being made available to the public.

- Only 5 percent believe that having this information available to them is not important, regardless of level of government.

However, among those who do receive information about how governments generate and spend money, there is a strong dissatisfaction with the information that they receive.

- The strongest dissatisfaction is with the information about the federal government's financial management (federal, 60 percent; state, 46 percent; local, 38 percent).

A large majority of American adults (90 percent) believe that as taxpayers, they are entitled to transparent financial management information.

- 57 percent take the strongest position possible that government has an obligation to provide reports that explain how the government generates and spends money.

### 2. A Problem with Trust

*Of those surveyed, 73 percent of American adults believe that it is very important for the federal government to be open and honest in its spending practices, yet only 5 percent say they are meeting these expectations.*

American adults believe governments are failing to practice open, honest and responsible spending while doing a poor job of providing understandable and timely financial management information.

Using a 10-point scale, respondents were asked to rate both how important it is to them that the governments deliver on certain aspects of financial management and how well they believe governments are actually performing on each item. A rating of 9 or 10 can be viewed as 'Excellent' and means that aspect is either extremely important or that the government performed extremely well.

American adults believe that being responsible to the public for spending is the most important area regarding financial management (% Excellent Scores: federal 78 percent, state 64 percent and local 62 percent), however, respondents rated each level of governments' performance as very poor in comparison (% Excellent Scores: federal 9 percent, state 9 percent, local 12 percent). These gaps between expectations and performance—in the range of 50 to 69 percentage points—are extraordinary and demonstrate how far off performance is from citizens' expectations.

The findings also indicate that American adults believe governments to be significantly under-delivering in other important areas—specifically, practicing open, honest and responsible spending. This belief is compounded by perceived poor performance in providing understandable and timely financial management information.

With regard to open and honest spending by the government, the public's expectations are far from being met. The gaps in % excellent ratings between importance and performance at the federal level are 68 percentage points and represent serious underperformance in the eyes of the American taxpayer and a strong opportunity for improvement.

### 3. What the Public Wants

*Seventy-one percent of respondents who receive financial management information from the government, or believe it is important to receive it, say they would use the information to influence their vote.*

When asked about the ways in which government can demonstrate greater accountability, the most common themes are *Improved Reporting* (42 percent) and a different *Attitude* (28 percent) in reporting.

- The most frequent specific mentions across all categories were: *Provide Open Disclosure of Spending* (18 percent), *Easy to Read Reports* (7 percent), *Be Honest* (10 percent), *Cut Down on Unnecessary Spending* (9 percent), and *Provide Information on Websites* (7 percent).

The major concern with financial management across all levels of governments is the *excessive amounts of unrestrained spending*.

- 23 percent mention it as their biggest concern with the federal governments' management, while 15 percent mention it as their concern with the state and local governments.

Respondents were asked to rank the importance of each category of financial spending information across federal, state and local government. The findings indicate that respondents have clear expectations on which levels of government should deliver on which categories of information:

- At a federal level, respondents perceive health care information (75 percent) and environment information (62 percent) to be most important to them personally.
- At a state level, information about transportation (58 percent) and education (57 percent) were most important.
- At a local level, information about safety (55 percent) was the single most important category.
- American adults are most likely to rely on traditional sources—the news and newspaper—for information on government financial management.
  - Federal: news, 73 percent; newspaper, 58 percent
  - State: news, 70 percent; newspaper, 58 percent
  - Local: newspaper, 59 percent; news, 57 percent
- A significant portion of the population is searching online for information on how the government is generating and spending money (federal, 33 percent; state, 30 percent; local, 24 percent).
- More than one in 10 say that they do not get any information on federal, state or local government financial management (federal, 12 percent; state, 13 percent; local, 15 percent).

## Verbatim

The survey included an open-ended element that allowed participants to express their attitudes toward government accountability and transparency at federal, state and local levels. Verbatim comments have been coded for analysis and are available in the full report.

## Methodology

This survey was conducted online within the United States by Harris Interactive on behalf of the Association of Government Accountants between January 4–8, 2008, among 1,652 adults aged 18 and over. Results were weighted as needed for age, sex, race/ethnicity, education, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100 percent response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the U.S. adult population. Because the sample is based on those who agreed to be invited to participate in the Harris Interactive online research panel, no estimates of theoretical sampling error can be calculated. The survey report, including a full methodology and associated commentary, is available at [www.agacgfm.org/harrispoll2008.aspx](http://www.agacgfm.org/harrispoll2008.aspx).