

Fiscal Transparency

Elected officials are the stewards of tax dollars and thus hold a fiduciary responsibility to taxpayers. Elected officials therefore have an obligation to demonstrate the faithful exercise of this fiduciary responsibility, and taxpayers have a right to know how their money is used.

For these reasons, it is imperative that government financial data is made available to citizens for review. Nevada took a major step forward in 2024 when Controller Andy Matthews made a searchable version of the state checkbook accessible online.

Key Points

A lack of transparency enables recklessness and corruption. When a knowledgeable citizenry is unable to easily access and understand government financial data, unscrupulous individuals within government can more easily perpetrate fraud without fear of getting caught. Questionable or reckless spending may also occur that does not rise to the level of fraud.

The large majority of public officials and employees, along with taxpayers, want to ensure that public dollars are spent appropriately and do not wish to see their profession tarnished by the unscrupulous actions of a few individuals. Fiscal transparency therefore enjoys wide support from across the political spectrum.

Legacy financial systems offer limited transparency, but are being replaced. Taxpayers deserve a clear accounting of each tax dollar, including the identification of all vendors and other recipients of public funds. The progress of computer applications and online technologies should allow citizens to access a searchable database of this nature through an “online checkbook.”

Several states have created an online checkbook and many also contain advanced analytical tools. Online checkbooks in Ohio and West Virginia are among the most recent and are currently ranked at the top by U.S. Public Interest Research Group.¹

In 2011, Nevada launched its “Nevada Open Government” website, which provides a fund-level overview of revenue and spending, but its utility is limited because it does not provide a granular accounting of individual checks.

Transparency should apply to all uses of public funds. Payments to vendors and professional contractors are not the only items that should be reported to citizens. There should also be a clear accounting of monies spent to compensate public employees, both in terms of salary and benefits. This administrative cost should be delineated clearly from amounts used to provide transfer payments or other services to beneficiaries.

PERS has flouted judicial rulings and concealed financial data. Nevada’s Public Employees’ Retirement System provides publicly funded pension benefits to state and local government employees, meaning data about payments to beneficiaries should be public information. Yet, PERS twice refused to follow court orders to make this information available. In a third ruling, a District Court judge found that “PERS has sequentially manufactured barriers to prevent

¹U.S. Public Interest Research Group, “Following the Money 2018,” April 2018.

it from meeting its disclosure obligations to the public” and expressed concern about the “truthfulness” of its executive officer.²

Recommendations

Expand online checkbook to include local governments. The financial transparency portal developed by the Nevada Controller’s Office in 2024 was engineered with the capability to host financial data of local governments at no additional cost. Lawmakers should require or encourage local governments to participate.

Enact strict penalties for officials who willfully withhold public financial data. Any agency that receives any appropriated monies from a state or local government should make its financial records searchable and easily accessible. Elected officials should hold accountable any recipient of these funds who refuses to make these records publicly available by imposing strict civil or criminal penalties in their personal capacity.

²Marth Bellisle, “Judge Orders Nevada PERS to Give RGJ Benefit Records,” *Reno Gazette-Journal*, April 11, 2014.

U.S. PIRG Rankings for Fiscal Transparency

2018 Rank	State	Grade	2018 Score
T-1	Ohio	A+	98
T-1	West Virginia	A+	98
T-3	Minnesota	A	94
T-3	Wisconsin	A	94
T-5	Arizona	A-	93
T-5	Connecticut	A-	93
7	Iowa	A-	91
8	Louisiana	A-	90
9	South Carolina	B+	87
T-10	Kentucky	B	85
T-10	Nevada	B	85
12	Illinois	B	84
13	Indiana	B	83
T-14	Arkansas	B-	82
T-14	Texas	B-	82
16	Oregon	B-	81
T-17	Delaware	B-	80
T-17	Massachusetts	B-	80
T-17	Nebraska	B-	80
T-20	Colorado	C+	78
T-20	Michigan	C+	78
T-20	New York	C+	78
T-20	Utah	C+	78
T-24	Florida	C+	76
T-24	North Carolina	C+	76
26	New Mexico	C+	75
27	Virginia	C	74
T-28	Kansas	C+	73
T-28	New Hampshire	C	73
T-28	Pennsylvania	C	73
31	South Dakota	C	72
32	Washington	C	71
33	Montana	C-	69
34	North Dakota	C-	68
T-35	New Jersey	C-	67
T-35	Vermont	C-	67
T-37	Maryland	D+	63
T-37	Mississippi	D+	63
T-39	Maine	D+	62
T-39	Missouri	D+	62
41	Oklahoma	D+	60
42	Idaho	D	58
43	Georgia	D	57
44	Alabama	D	56
45	Rhode Island	D	55
46	Tennessee	D-	54
47	Hawaii	F	48
48	California	F	47
49	Alaska	F	46
50	Wyoming	F	35

Source: U.S. Public Interest Research Group, "Following the Money 2018," April 2018.