

PD ABL-262
Q5180

MFM Project

RUSSIA TRIP REPORT: MFM PERFORMANCE MONITORING AND EVALUATION

By
Alan Lessik

Research Triangle Institute
1615 M Street, NW, Suite 740
Washington, DC 20036

Municipal Finance and Management
Project No. 5656
Contract No. CCN-0007-C-00-3110-0

March 1995



P.O. Box 12194, Research Triangle Park, NC 27709-2194

**Russia Trip Report: MFM Performance
Monitoring and Evaluation**

March 1995

Alan Lessik
Sr. Program Associate



600 Water Street, S.W.
Washington, D.C. 20024
USA

202/484-7170
Fax: 202/488-0754

Russia Trip Report: MFM Performance Monitoring and Evaluation

Introduction

The purpose of the trip was two-fold: to finalize the performance monitoring and evaluation (PME) frameworks for the project in each city; and, (2) to conduct a rapid appraisal of the study tour participants. In each of the three Russian cities that are participating in MFM -- Vladivostok, Moscow and Nizhny Novgorod -- the existing PME matrices were discussed and revised, with input, as appropriate from the project's counterparts. Since the project is scheduled to end this year in each of the cities, the PME matrices were oriented toward information available now and how it can be captured, particularly with an eye toward the final evaluation in each city. In addition, special attention was paid to identifying project objectives which relate to democratic pluralism in Russia's transition process.

In addition to the PME work, participants who attended MFM sponsored study tours were interviewed utilizing the rapid appraisal methodology developed by Tom Cook and applied in Ukraine. A cross sample of participants was interviewed in each city, the sample primarily being determined by availability under short notice and continued participation with the project. Despite these constraints, in each city about one quarter to one half of the study tour participants participated in group or individual interviews. The format of the interviews remained the same, whether it was group or individual.

A separate trip report is attached for each city that describes the work on the PME system and the rapid appraisal. In each case, the rapid appraisal findings were incorporated as one data point for the PME. Annex 1 lists the participants interviewed in each city.

Recommendations

1. In each city, the matrix must be finalized as noted in the city report. In most cases, this is the identification of the data requested for the baseline, data often available in project records but not easily obtainable during my visit.
2. The performance monitoring and evaluation matrix developed for each city should be utilized for quarterly reporting to USAID. Each city should update their matrix with a column inserted between baseline and target called results to date. Each quarter, the city should fill in results to date, showing the progress they have made toward accomplishing their objectives. In some cases, the indicators have been developed that were only meant to be measured at the beginning and end of the project; these indicators can be duly noted as such. However, these are few in number and a status report on each indicator can be simply made. While this exercise may take a few hours the first time, the successive times, it will be a matter of updating the data only. Given that this is done quarterly, the exercise should not be

too burdensome for the advisors. In addition, it will give them a good progress report for their own monitoring of the project.

3. Three draft scales of democratic transition are presented in Annex 2. These scales can be utilized for the final evaluation to assess movement on the goal level. The scales should be reviewed and modified by RTI and MSI staff to reflect the realities of Russia. Once finalized, each city should rate the state of the transition when the project started to provide the baseline. During the final evaluation, each city will be re-rated to determine what types of movement has been made during the life of the project.

Nizhny Novgorod

Due to unforeseen circumstances, the resident advisor, Bill Fuller, was out of the country while I was in Nizhny Novgorod. However, I was still able to meet with study tour participants and work with the project's counterpart in the Department of Finance, Vyacheslav Aksinyin on the PME matrix.

Rapid Appraisal

Five participants were interviewed in the rapid appraisal. These five were part of a group of 13 that went on two different study tours. Two people interviewed participated on both study tours. The majority of the participants interviewed were staff members of the Department of Finance. Since the project has already installed computers and conducted training, it was hard to separate out the effects of the study tour from the project itself. The other participant was a Duma member and the head of the city-run television station. Although she had only recently come back from the study tour, she had taken a number of steps to apply what she had learned

General Comments: For most of the participants this was their first trip to the US. They were impressed by the openness of the public officials that they met and the amount of information that was shared with them. The trip met and surpassed their expectations. The two people who went on both trips found that the second visit allowed them to follow up in more detail than the first.

Applications of New Concepts/Knowledge: The study tour produced three types of outcomes: improvements in financial monitoring and budgeting; improved transparency of government processes; and additional perspectives aired on television.

Improvements in Financial Monitoring and Budgeting: The study tour helped to expose all of the participating officials to modern financial management techniques used in US cities. Such things as providing budget analysis, forecasting revenues and expenditures, developing accurate budgets, collection of taxes, floating municipal bonds and the classification of accounts are all things that the participants noted in the US and are trying to implement at home through the project. In some cases, such as the reclassification of accounts to correspond to US and European accounting standards, the officials from Nizhny Novgorod were able to take the lead in working with federal authorities to change the entire national system. Their experience in seeing how the system worked in the US bolstered their efforts and provided specific information on the importance of changing these classifications.

Improved Transparency of Government Processes: The study tour to the US gave the participants experience in how open government processes can be in providing information and data to the public. Seeing the types of public information available to US citizens, prompted these officials to seek as a goal the greater openness of their data and information. And while the systems for providing data while not be similar for many years, the idea that

information should be public has changed the Department of Finance from being viewed as a "classified agency" to an open one.

Alongside with increased information is increased public participation in government processes. The participants were committed to increasing the public's participation in the budget process, through open hearings, articles in the newspaper and televised hearings and call-in programs related to the budget. And while the commitment to the openness had occurred prior to the study tour, the tour was able to help reinforce their commitment to openness.

Additional Perspectives Aired on Television: After the study tour, the director of the city television network decided to air two programs based on what she learned during the tour. The first one, which will be aired soon, is on housing. This program will compare US and European process for constructing and financing housing to what is going on in Nizhny Novgorod. The second program will be on the budget process, and focus on the MFM Project and what it is accomplishing in the city.

The director was impressed by the presence of television cameras in the US Congress and as a city Duma member was interested in increasing the coverage of the Duma itself.

Nizhny Novgorod Performance Monitoring and Evaluation Plan

There are three parts of the Nizhny Novgorod Performance Monitoring and Evaluation Plan. These are:

- performance monitoring matrix
- rapid feedback evaluation, and
- critical incidents reporting.

The **performance monitoring matrix** is designed to track a set of indicators at both the goal and objectives level of the project in Nizhny Novgorod. The matrix describes the indicators used, the baseline, end of project target and the data collection methods. In most cases, the data for monitoring will come from project records and from assessments that have been made. Only in a few cases will specific surveys, along the lines of the rapid feedback evaluation, need to be developed.

The **rapid feedback evaluation** will provide for systematic data collection on selected project activities, such as training, study tours as well as to determine changes in knowledge and behavior. This component is designed to provide immediate information, as well as provide an easy means of assessment of changes over the longer term.

The final component is called **critical incident reporting**. These are unanticipated project outcomes or events, that while are anecdotal provide some insight on project accomplishments that may not get picked up in the more routine reporting systems. Critical incidents are

reported as part of the monthly activity reporting or in special notices to RTI headquarters.

The attached performance monitoring matrix has been developed for Nizhny Novgorod, incorporating both democratization and municipal finance indicators. Given the limited time left in the project (five months), the matrix is a reflection of what can be accomplished by project's end. In many ways, Nizhny Novgorod represents the highest level of objectives that may be met by the project, both in terms of the finance component and the democratic initiatives component. For this reason, it is important that the project monitor and collect data in a comprehensive fashion, in order to give the fullest accounting for the project's accomplishments. In comparing Nizhny's indicators for similar objectives shared by Vladivostok and Moscow, it can be seen that here one can look for application and use for data and information. In addition, Nizhny, is able to show the most advanced forms of transparency and sharing of information of the three Russian cities.

The remaining work to be done on the matrix is the identification of the baseline for 1.1, 4.1, 5.1-3, and 6.2. In addition targets must be identified for 2.2-3, 3.1-2, 4.2, 5.1-3, and 6.1-2. The scale of democratic transitions is a simple tool measuring a series of potential outcomes in accountability/transparency and public access to information.

Nizhny Novgorod Performance Management and Evaluation Matrix

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
GOAL: Building the base for democratic transition through reform and modernization of the Nizhny Novgorod City management and finance systems.				
	1. Changes in accountability 2. Changes in public access to information 2. Changes in public participation in municipal government.	1-3. Score of on Scale of Democratic Transitions	1-3.	1-2. Democratic transitions matrix filled out 3/ and at end of project

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
OBJECTIVES:				
1. Establish integrated financial management system in finance department and raions.	1.1. # of computers installed in a network 1.2. Budget/accounting software installed 1.3. #s of people trained in software use and fiscal analysis techniques 1.4. # of raions connected to systems 1.5. Speed of financial transactions for purchase of services (days; losses due to inflation)	1.1 1.2. No integrated software used 1.3. 0 1.4. 0 1.5. 7-12 days;	1.1. 10 LANs; 156 workstations 1.2. LGFS installed 1.3. '50 1.4. 8 1.5. 1 day; 0 Rb losses	Project records
2. Increase public knowledge and participation in the budget process.	2.1. Budget published. 2.2. # of open budget hearings and public forums 2.3. # of press conferences, media interviews	2.1. Not published 2.2. 0 2.3. 0	2.1. Budget published/available to public 2.2. 2.3.	Project Records, DOF records

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
3. Increase accountability and transparency of public funds.	3.1. Types of financial accountability regulations implemented. 3.2. Budget policy and process regulations implemented.	3.1. Existing rules/ regulations 3.2. Status quo of existing insufficient system	3.1. TBD 3.2. Automated system in place; budget proposed; TBD	Project records, DOF records
4. Improve capabilities to forecast and manage revenues and expenditures.	4.1. # of budget revision/year; amount of deviation from revenue and expenditure projections 4.2. Reduced expenditures due to analysis 4.3. Daily cash and expenditure information available	4.1. 2/year; 4.2. Unable to do manually 4.3. Not available	4.1. corrections; 0 Rb deviation 4.2. Documented reduction in expenditures in key areas - housing, etc. 4.3. Available and used on daily basis.	DOF records
5. Improve quality and financial condition of city transport services	(TBD based on additional funding) 1. % of operating costs recovered 2. Types and #s of services available 3. Maintenance of system	1. 2. 3.	1. 2. 3.	Project records, DOT records

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
6. Increase public knowledge on other municipal topics.	6.1. #s and types of television programs based on project and study tours 6.2. TBD	6.1 0 6.2	61. 6.2	Rapid Appraisal and interviews with study tour participants

Moscow

In Moscow, I was able to work with Juliette Johnson and Evgenia Karantseva until Al Sharp returned to Moscow. On my last day in Russia, Al Sharp and I reviewed and modified the work that had been done on the matrix. In addition, I met with several important counterparts, including Messrs. Norkin, Shirayev and Magadonov.

Rapid Appraisal

The interviews with the study tour participants were very enlightening. Moscow had sponsored two study tour visits for members of the city Duma. I conducted two group interviews and one single interview with eleven participants in total. The results of the rapid appraisal are as follows.

General Comments: For most of the Duma members this was their first trip to the US. They were very positively impressed by almost everything they saw. Especially after the propaganda of the previous regime, the participants were very interested to for themselves. As one person stated, "it is better to see something once than hear about it one hundred times."

Almost everyone thought the trips were well planned and met their expectations. They expected to gain new knowledge and accomplished that goal.

Applications of New Concepts/Knowledge: The Duma members that attended the study tour had an immediate means for applying what they had learned in proposing and developing new legislation for the city. In addition, due to the special status of Moscow as a city and a state, they were also able to influence the national Duma. There were several important levels of application of knowledge: incorporation of democratic practices, incorporation of new practices in financial accountability and transparency, and the role of municipal government.

Incorporation of Democratic Practices. The city Duma recently held a hearing on the city flag (a concept that they liked in the US). They utilized the US Congressional hearing process of calling witnesses that could be cross-examined. In addition, the Duma members participated as witnesses and could also be cross-examined. They felt that this experiment worked very well as a hearing style and planned on using it in future hearings. Normally, such hearings are more showcases, without cross examining, and serve as fora for individuals to make speeches and attack other members.

A second important democratic practice that is being considered is the staggering of elections for the Duma. They saw how this could provide for some institutional memory in the Duma and are discussing incorporating this in the new city charter being developed.

A third practice is the understanding that members of the Duma are elected officials that owe their will to the voters and the taxpayers. They were very impressed by the US executive and

legislative members who said that they were working on behalf of the taxpayers. This concept of owing responsibility and accountability to the taxpayers was something that a number of Duma members stated had changed their way of thinking about their job.

Incorporation of New Practices in Financial Accountability/Transparency. Probably some of the most important applications came in this area. One member was particularly interested in setting up the Moscow Securities and Exchange Commission. Although he had been interested in this before the trip, the study tour gave him enough experience and information to propel the process much faster. As a result, Moscow established their SEC to govern stock markets, financial transactions and municipal bonds. The Moscow SEC was established a few months before the national SEC and has been leading the way for the national body.

Another important change occurred in the city budgeting process. A draft law has been introduced to change the city budget process. One change will be to start the process one year in advance to have the budget approved before the fiscal year begins. Other budget changes are also proposed based on practices that they had seen in the cities that they visited.

Finally, the deputies gained more knowledge about the process of floating municipal bonds and how to finance capital expenditures through this means. A number of them were interested in floating municipal bonds, especially for the housing area. This is being worked on at the present and is related to the development of the SEC.

Role of Municipal Government. The city charter of Moscow is being written. A number of deputies stated that they have received ideas from the various forms of city government that they experienced in the US. They came away with the idea that there is no one form of city government, but that the form should be developed to best meet the city's needs. The final charter is likely to have several provisions that have been generated from experience from the study tour.

In addition, several Duma members have been participating on the national level discussion on new laws for municipalities and land. These discussions now include a number of ideas of how to manage cities and city structure using concepts gained from the tour. The same holds true for the discussion on land ownership, both on the national and the city level. By seeing and understanding the concepts on land ownership, particularly holding title to land underneath the building in a city, the deputies interested in this have been able to discuss how they saw this working in the US and apply that knowledge to how design a similar program in Russia.

Suggestions for Follow-On Programs with the Duma: A number of suggestions were made for follow on programs with the Duma. They were particularly interested in seminars and workshops here on issues of interest, such as housing, finance, welfare, crime, and inter-ethnic relations. There is a city school for potential and elected officials that could take on this role. In addition, they suggested that they could use assistance in the drafting of laws or review of laws that they had drafted. Finally, many members noted that Moscow's status as a

state as well as a city, meant that they could benefit from more exposure to the roles and responsibilities of state governments. Any future study tours and seminars should focus on this aspect of governance.

A suggestion was made that the deputies be more comprehensively surveyed, if there were to be follow-on activities. This would allow them to structure the program better and make sure that as many needs as possible were being met. From the survey, priorities could be developed for their participation in the project.

Moscow Performance Monitoring and Evaluation Matrix

There are three parts of the Moscow Performance Monitoring and Evaluation Plan. These are:

- performance monitoring matrix
- rapid feedback evaluation, and
- critical incidents reporting.

The **performance monitoring matrix** is designed to track a set of indicators at both the goal and objectives level of the project in Moscow. The matrix describes the indicators used, the baseline, end of project target and the data collection methods. In most cases, the data for monitoring will come from project records and from assessments that have been made. Only in a few cases will specific surveys, along the lines of the rapid feedback evaluation, need to be developed.

The **rapid feedback evaluation** will provide for systematic data collection on selected project activities, such as training, study tours as well as to determine changes in knowledge and behavior. This component is designed to provide immediate information, as well as provide an easy means of assessment of changes over the longer term.

The final component is called **critical incident reporting**. These are unanticipated project outcomes or events, that while are anecdotal provide some insight on project accomplishments that may not get picked up in the more routine reporting systems. Critical incidents are reported as part of the monthly activity reporting or in special notices to RTI headquarters.

The attached performance monitoring matrix has been developed for Moscow, incorporating both democratization and municipal finance indicators. Given the limited time left in the project (ten months), the matrix incorporates both what the project has accomplished to date and what it plans to accomplish in the next year. Since the project will end before a complete budget cycle is able to be processed on the new equipment, the level of outputs reflect this. In the areas of democratic initiatives, the Moscow matrix reflects some high level outputs due to the active participation of the Duma and to the extent in which the city is able and willing to share information.

The remaining work to be done on the matrix is the identification of the baseline for 4.2, 5.1-3, and 6.1. Targets need to be developed for 1.1-3, 2.3, 3.1, 4.2-3, 5.1-3, 6.2, and 7.1. A number of these can be readily identified with existing project data. The scale of democratic transitions is a simple tool measuring a series of potential outcomes in accountability/transparency and public participation in municipal government.

Moscow Performance Management and Evaluation Matrix

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
GOAL: Building the base for democratic transition through reform and modernization of the Moscow City management and finance systems.				
	1. Changes in transparency/ accountability 2. Changes in public participation in municipal government.	1-2. Score of on Scale of Democratic Transitions	1-2.	1-2. Democratic transitions matrix filled out 3/ and at end of project
OBJECTIVES:				
1. Install elements of an integrated financial management system in finance department.	1.1. # of computers installed in a network 1.2. Budget/accounting software developed 1.3. #s of people trained in software use and fiscal analysis techniques	1.1. 0 1.2. No integrated software used 1.3. 0	1.1. 1.2. 1.3.	Project records
2. Propose and implement practices to increase accountability and transparency of public funds.	2.1. Types of financial accountability regulations proposed/implemented. 2.2. Budget policy and process regulations proposed/implemented. 2.3. Systems capable of producing automated budget and audit control of expenses/revenues	2.1. Existing rules/ regulations 2.2. Status quo of existing insufficient system 2.3. No system in place	2.1. SEC, municipal finance and bonds, etc 2.2. Automated system in place and budget proposed 2.3.	Project records; interviews with DOF/Duma officials

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
3. Increase coordination between executive and legislative branches of city government.	3.1. #s and types of joint initiatives 3.2. Attitude of key executive and legislative branch members	3.1. 0 3.2. Attitudes before study tours/project	3.1. 3.2. Improved cooperation and willingness to work together	Project records; survey of Duma & executive officials on changes
4. Increase information for decision making and monitoring of implementation of Mayor's initiatives.	4.1. #s of departments connected 4.2. Types of information shared/available 4.3. Types of decisions made with system	4.1. 0 4.2. 4.3. No system	4.1. 4 4.2. 4.3.	Project records, interviews with Mayor's office
5. Make recommendations and train in methodology of change intervention to improve the Moscow Ambulance Service.	5.1. Key officials take ownership of report and recommendations 5.2 #s trained 5.3. Types of no or low cost/low risk strategies implemented	5.1 Pre-report status quo 5.2 0 5.3 No actions	5.1 Ownership of report and commitment made to follow recommendations 5.2 5.3 List of strategies	TBD by Anderson consultancy, Project and Ambulance Service
6. Improve the capability of Moscow Economic Reform Bloc to assess its fiscal situation	6.1. Economic forecasting tools developed. 6.2. #s of people trained in fiscal analysis 6.3. Fiscal tax burden analyzed 6.4. Revenues projected	6.1. 6.2. 0 6.3. Not able to do 6.4. Not able to do	6.1. Tools developed and in place 6.2. 6.3. Fiscal tax burden analyzed 6.4. Revenues projected for budget	Project records, DOF records and interviews

Objectives	Indicators/Measurement	Baseline (beginning of project)	Target (by project end)	Data Collection Methods
7. Effective use of democratic practices by Duma	7.1. % of Duma deputies attending study tour 7.2. Types of practices 7.3. Types of new legislative measures introduced	7.1. 0 7.2. Status quo 7.3. None based on study tour and project information	7.1. 7.2. Conduct of hearings, use of expert witnesses, cross examining in hearing, others 7.3. Housing, city charter, elections, other city Duma laws; National municipal and land laws.	Rapid Appraisal and project records

Vladivostok

In Vladivostok, I was able to work with advisor Jim Alloway, and staff members Natalia Dereviachkina and Sasha Belov.

Rapid Appraisal

One study tour was conducted for seven members of the Department of Finance and finance officers from several raions. The study tour focused on budgeting issues and systems and the finance and delivery of neighborhood services. Four participants were interviewed in a group.

General Comments: For each of the participants this was their first chance to see America in person. They expressed surprise at the level of development of systems that were used within municipalities. They also noted the differences between their practices and those in the US regarding the collection and use of taxes, the budget process, the roles and responsibilities of finance departments and mayor's offices. They noted the means that are available for citizens to participate in the budget process, a process not available in their own city.

Applications of New Concepts/Knowledge:

The participants could not come up with concrete applications of what they had learned from the study tour. Without the new project-provided hardware and software in place, they were not yet able to attempt to apply some of what they had learned.

Once the hardware and software arrives, the participants felt that they could install a financial control system, similar to ones they had seen in the US. Whether the system would be used and allowed to be effectively used was, however, not clear. There were many changes beyond their control for this to happen in the city.

The study tour and the hardware and training provided by the project will give the Finance Department the potential to make changes. They all felt their thinking about the issues related to the functioning of the department had changed. Again, however, they did not have the power to change the functions of the department and they were not sure if the political will was there to make these changes.

Each of participants shared the information that they received with their colleagues. They brought back books and samples of budget documents and translated some of these documents.

Until there is a city council in Vladivostok, it will be unlikely that any significant citizen input will occur in the budgeting (or any other) process.

Vladivostok Performance Monitoring and Evaluation Plan

There are three parts of the Vladivostok Performance Monitoring and Evaluation Plan. These are:

- performance monitoring matrix
- rapid feedback evaluation, and
- critical incidents reporting.

The **performance monitoring matrix** is designed to track a set of indicators at both the goal and objectives level of the project in Vladivostok. The matrix describes the indicators used, the baseline, end of project target and the data collection methods. In most cases, the data for monitoring will come from project records and from assessments that have been made. Only in a few cases will specific surveys, along the lines of the rapid feedback evaluation, need to be developed.

The **rapid feedback evaluation** will provide for systematic data collection on selected project activities, such as training, study tours as well as to determine changes in knowledge and behavior. This component is designed to provide immediate information, as well as provide an easy means of assessment of changes over the longer term.

The final component is called **critical incident reporting**. These are unanticipated project outcomes or events, that while are anecdotal provide some insight on project accomplishments that may not get picked up in the more routine reporting systems. Critical incidents are reported as part of the monthly activity reporting or in special notices to RTI headquarters.

The attached performance monitoring matrix has been developed for Vladivostok, incorporating both democratization and municipal finance indicators. Given the limited time left in the project (seven months), the recent funding cutbacks and most importantly, the political state of affairs in Vladivostok and the Primoriye Krai, the matrix is a reflection of what can be accomplished by project's end. This city provides a baseline for the MFM Project, in terms of little political will to open the process to citizens, a lack of representative structures (e.g., no Duma operating) and a tightly controlled political system. Thus the MFM project is providing tools that will improve the financial management of the city and is laying the groundwork to have systems in place that can be used in the future by those with the political will and power to open the process in a more democratic and transparent way. The indicators and expected targets on the goal level reflect little movement in the short-term as may be expected by this state of affairs. However, in the longer term, one would expect to see steady and positive movement in the scale of democratic transitions.

The remaining work to be done on the matrix is the identification of the baseline for 1.3, 3.3 and 4.3 (most of which is already available) and setting of final targets for 1.3-4, 3.3, 5.2-3, and 6.1. Before the next group of participants attends training they should be surveyed on their knowledge and practices, related to transparency/accountability and financial issues. This simple survey would again be repeated two months after the participants return to assess their current state of knowledge and practices. The scale of democratic transitions is a simple tool measuring a series of potential outcomes in accountability/transparency and public access to information.

Vladivostok Performance Management and Evaluation Matrix

Objectives	Indicators/Measurement	Baseline (start of project)	Target (by project end)	Data Collection Methods
GOAL: Building the base for democratic transition through reform and modernization of the Vladivostok City finance and management systems.				
	1. Changes in transparency/ accountability 2. Changes in public access to information 3. Budget available for public inspection	1-2. Score of 0 on Scale of Democratic Transitions 3. Partial budget known to a few city officials	1-2. Score of 0-1 3. Budget fully automated; budget known to raion officials	1-2. Democratic transitions matrix filled out 2/9 and at end of project 3. Project records
OBJECTIVES:				
1. Modernize the budgeting and finance process.	1.1. #s and quality of LAN installed. 1.2. #s of computers installed/upgraded 1.3. Types of new data management technologies introduced 1.4. Special application software installed	1.1. 0 1.2. 8 1.3. 1.4. None	1.1.6 LANs installed 1.2.13 new; 15 upgrades 1.3. 1.4.	Project records, DOF/EPD/ISD assessments
2. Provide management tools to city leadership.	2.1. #s trained 2.2. Types of management changes initiated	2.1. 0 2.2. Status quo	2.1. 2.2. TBD	Project records and interviews
3. Increase timely provision of information to decision makers.	3.1. Multi-year, inflation-adjusted budget comparisons available 3.2. # of manual reports automated 3. % of time EPD meets reporting deadlines	3.1. Not available 3.2. 0% 3.3.TBD	3.1. Multi-year comparisons used for budgeting 3.2. 100% 3.3. TBD	Project records, DOF/EPD assessments

Objectives	Indicators/Measurement	Baseline (start of project)	Target (by project end)	Data Collection Methods
4. Increase knowledge of public officials to public accountability/transparency processes.	4.1. #s of overseas study tour/training participants 4.2. Competitive bidding practices completed 4.3. Types of new processes identified/implemented by officials	4.1. 0 4.2. 0 competitive bids let; no processes for such bids 4.3. TBD	4.1. 20 4.2. 2 competitive bids let; competitive procedures prepared 4.3. New processes identified/implemented	Project records, interviews, pre/post trip survey
5. Automate Economic Planning Dept.	5.1.#s of computers installed/upgraded 5.2. #s trained in system 5.3. #s trained in demographic and statistical analyses	5.1. 2 5.2. 0 5.3. 0	5.1.2 new; 2 upgrades 5.2. 5.3.	Project records
6. Assess the operations and fiscal status of the transportation enterprise.	6.1. Key recommendations accepted by city for consideration and implementation	6.1. Current status of system	6.1. TBD	Transportation assessment and project records
7. Develop guidance for city bond issue.	7.1. Decision made on whether to issue bond based on guidance provided by project. 7.1a. If yes, #s of new housing units; #s of bridges/roads repaired 7.1b. If no, decision based on current negative economic outlook.	7.1. Bond issue identified as a potential funding strategy for the city.	7.1. Realistic analysis on city's ability to float and payback bond done; Guidance in place for how to conduct a bond issue. 7.1.a TBD	Project records

Annex 1: Rapid Appraisal Participants

Moscow

Alexandrovskaya, Natalia
Katayev, Dmitry
Khovanskaya, Galina
Kovalesky, Vitaly
Krutov, Alexander
Makarov, Alexander
Novitsky, Ivan
Platonov, Vladimir
Plotnikov, Vladimir
Proscheshkin, Evgeny
Sizov, Yuri

Nizhny Novogorod

Mrs. Palkina
Mr. Aksynin
Mr. Lakassev
Mr. Silken
Ms. Zakhtarenko

Vladivostok

Galina Vichniakova
Tamara Polejaeva
Nadjda Chtchapkova
Olga Litvinenko
Natalia Dereviachkina

Annex 2: Draft Scale of Democratic Transitions

Accountability

0	3	5
Budget information not shared internally; No ability to check expenses/revenues		Daily analysis of expenses/revenues; Checks and balances incorporated in budget; Budget public information

Public Access to Information

0	3	5
No public access to budget or other selected information		Reports available to public; Media reports on budget and city transactions; Public hearings held

Public Participation

0	3	5
Duma not standing; No public hearings on issues		Public input on all major city legislative and executive matters