Public Policy: The Reality in the Practice of Management Agreements

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This paper presents the new version of public policy for government transparency, outlining state's required functions, in the context of economic globalization, to enable fulfillment of social demands and Brazil's competitive insertion in international markets. In this sense, public policies were adjusted to the role of social and economic development promoter and regulator: Strengthening government capacity for formulating and evaluating them; increasing governance, i.e., government's ability to implement public policies, from the viewpoint of efficiency, efficacy, and effectiveness through the introduction of new organizational models and new partnerships with civil society; establishing management contracts, agreements, and partnership terms; and finally modernizing public management. E-government (e-gov) includes three of the seven lines of action of the information society: universal service, government available for all and advanced infrastructure. The Integration and Intelligence Government Information System (i3-Gov) was developed in open platform. Thus, new trends in shared and interagency management for public, productive, and growing third (voluntary) sectors are contemplated. The paper presents the results obtained with the Federal Government Voluntary Transfers Integrated System (SICONV), which adequately fulfills the expectations of service and transparency, but needs improvement in regard to government participation without state interference.

Keywords: transparency in government, new technologies and public service, government, information systems, e-government (e-gov)

At the beginning of the Government of President Fernando Henrique Cardoso, in 1995, the Minister of Federal Administration and State Reform, Luiz Carlos Bresser Pereira, elaborated the Plan Director of State Reform (PDRAE), which was approved by the Chamber of State Reform, linked to the Council of Government of the Republic Presidency.

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This research, in addition to presenting a diagnosis of the crisis of the state (a fiscal crisis caused by government's way on intervening at the market and a crisis of state's own apparatus), will outline required state functions in a context of economic globalization, to facilitate meeting social demands and the country's competitive insertion in international markets (Vieira, 2007).

In this respect, it is advisable: revision of structure, adjusting it to the role of promoter and regulator of social and economic development, and strengthening its capacity to formulation and evaluation of public policies; the increase of their governance, i.e., government capacity to implement public policies, from the perspective of efficiency, efficacy, and effectiveness, through the introduction of new organizational models and new partnerships with civil society, the establishment of management contracts/terms of management commitment/partnership agreements, and the modernization of management.

Emphasis must be given to the understanding that makes the Plan Director on the modernization of management. Thus, the objective of the proposal is to increase management effectiveness by: introduction of a managerial culture, based on the evaluation of performance; deployment of a policy for professionalization of public servants (careers, salaries, annual public competitions for admission public service, and continuing education); consolidation and convergence of information systems to operationalize the Core Strategic Functions of formulation and evaluation of public policies; management training for definition and supervision of management contracts/terms of management commitment/partnership agreements.

In the Exclusive Activities and State Non-exclusive Services segments, the objective is to increase provision of services efficiency and effectiveness. This way, Exclusive Activities—sector responsible for regulation, guidelines, supervision, promotion, public safety, certification, etc.—are activities in which the extrovert power of the state is exerted, the implementation is proposed by the means of Autonomous Agencies, known as Executive and Regulatory Agencies.

Non-exclusive services sector, which covers activities that ensure human rights and fulfillment of social demands, is proposed to be implemented, with state funding, by means of public non-state entities, i.e., the social organizations and non-governmental organizations.

Finally, the last segment, pointing to the production of goods and services for the market, is composed of state owned companies.

For the purpose of information gathered analysis, performed in two dimensions, relevant factors were identified: The strategic dimension considers the organization and implementation of a Project Management (PM) methodology as a new management option; and the tactical dimension relates the elements to be considered in the PM methodology implementation.

Thus, strategic dimension factors were further broken down in: political will of those involved, appropriateness of the organizational structure, utilization of existing PM approaches, failed implementations, and projects objectives and planning.

Tactical dimension factors refer to management of: resources, costs, time, interpersonal skills, client/team, communication, technique, and systematization of activities.

Identified factors certainly have a high degree of relationship and were thus grouped together for the analysis purposes in this research.

Implementation of governmental projects fail in organizations where senior administration support is absent, especially in what concerns changes issues, which are many and generate conflicts in several

dimensions. Change management requires active and constant participation. The organizational structure is another factor that deserves attention, since it shows highly departmental and hierarchical (consisting of five levels) characteristics.

These two characteristics are classically inhibitory of management by projects, because they significantly reduce the autonomy of managers and project teams.

This way, the matrix structure can be described as weak, as it is most similar to the functional structure and functional managers have greater power than project managers.

Planning the implementation of a project management system and project goals has been identified as a comprehensive factor composed of three related factors: (1) utilization of previous experiences; (2) failed implementations; and (3) from the tactical dimension: systematization of activities.

Planning itself is justified by the existence, verified, of frustrated experiences in implementation of project management systems. The absence of this step, according to several authors, such as Kerzner (1992), King (1983), and Sthub et al. (1994), implies inevitable failure.

After planning and implementation of a project management methodology, through the use of computer programs already consolidated in the marketplace, it is possible to easily apply resources leveling in projects.

The Reality of the Systems of Government Information

This section lays the theoretical base used in this work, addressing some assumptions about e-government (e-gov), the relationships among state, market, and the third sector entities, and about the Federal Government Voluntary Transfers Integrated System (SICONV).

Basic Assumptions in the Implementation of E-Gov Policies

Basically, the actions of e-gov policies deployment must meet three basic aspects that characterize e-gov best practices: service, transparency, and participation. A government policy for offering services on the web, with established rules and standards for web pages implementation, page's relevance and content, would significantly improve quality of services offered and users comfort.

Transparency meets one of the requirements of citizenship, because public administration has the obligation to disclose its acts to society. Therefore, while managing, a public manager should not act according to his will, but in accordance with legal procedures that give support to the administration. Article 49 of the Fiscal Responsibility Law (LRF) determines that the accounts presented by public entities should be available during the whole year, at the respective legislative house and at the technical body responsible for its preparation, for consultation and consideration by citizens and institutions, including electronic format. As for participation, M. Oliveira, Conceição, Santos, Meira, and E. Oliveira (2004) ponder that it is clear that the participatory budget, as well as other legal instruments of popular participation are extremely important for the conduction and transparency of public acts, however, it is required that citizens are properly informed about the effective use of public resources. Society participation in the public administration needs to be complemented with adequate information regarding the progress of government's work and social projects, so there will be, in fact, transparency, and thus effective relationship citizen-state can be established.

The lack of any of these elements alters the social control and participation, making arise in virtual context, the concept of digital exclusion. For Cunha and Reinhard (2004), the concentration in classes A and B is also seen for internet in Brazil, but if actions are not taken, we may be observing the formation of an "informational

abyss" difficult to be transposed. For the authors, measures that democratize any gain obtained with the internet by a portion of the population are necessary for other public services users. Among users of the web sites of government, there are groups with different characteristics in usage profile, and in the motivation for the use, there may be offered different interfaces, specific features, and the information proposed by the portals, in their openings, can be suitable for anyone who is in him entering.

The exclusion of the right to access the new forms of communication can open a big gap to be filled between "those who have" and "those who do not have".

For Freitas (2004) the role of the rulers also covers the responsibility, together with the state institution, of promoting society education, enabling citizens to become increasingly conscious of their rights and duties. In this sense, the Brazilian government has deployed three programs with the objective of facilitating the access to digital technology resources, providing a greater democracy (e-democracy). These projects are known as the Information Society Project, Brazilian electronic project (Be), and government Br@sil.gov project.

In spite of these initiatives, the need for progress in the deployment of these policies exits, especially when the analyzed cases of cities and small Brazilian municipalities, a challenge in achieving these goals. Many municipalities do not even possess a web site, and their citizens do not have the minimum competencies required to handle or use electronic services.

Fernandes and Afonso (2001), about the variation of the services provided to the citizens, delimit that at municipality level there is a large variation in terms of the complexity and range of the services provided to citizens, and few municipalities provide services in real time. They also indicate that many municipalities do not have their administrative systems automated. They conclude by saying that without an effort in the pursuit of the goals for deployment of services based on information technology, and without the creation of kiosks to access the internet, many citizens cannot fully exercise their citizenship.

In general, this scenario can be associated with entities of the third sector that despite the considerable number of actions developed in partnership with the state, do not provide global statistics consonant with inclusion policies and accountability of voluntary funds transfers agreement resources invested.

Relationship State, Market, and the Third Sector

Among latent discussions about the re-democratization process, the need for a model less bureaucratic, more flexible, and efficient, geared toward providing services to citizens, represents one of the main challenges of the Brazilian Federal Government.

Demand and conflict began to coexist, according to the times and circumstances, with dialog and collaboration (Borges, 2008). In this context, appears, in the 1990s, the word "partnership" as the expression of a new pattern of relationship among three sectors of society: state, market, and the third sector.

In the context of discussion, it verified an increase of the third sector activity, which according to Fonseca (2000), creates an "intimate relationship, forming a triad" with the state and the market.

According Olak and Nascimento (2006), these sectors are indispensable, concluding that there must be partnerships in their activities independently and autonomously, being each one free in regard to their management and decision-making. The authors also say that the world economy has sought harmony among the three sectors because of the impossibility of reaching their goals through isolated action.

Ioschpe (2000), Olak and Nascimento (2006) state that in a comparison between the third sector

organizations and other types of organizations, the most striking characteristics and complementary of the third sector are: not for profit; being voluntary organizations are formed, entirely or partially, by citizens voluntarily organized; technical body is usually composed of citizens linked to the organization for philosophic reasons; they are action oriented; and generally intermediate between the common citizen and entities that may participate in the solution of problems identified.

Fischer (2002) says that, like enterprises, these entities manage a set of resources—usually scarce—and seek, unceasingly, the effectiveness of their activities. Before closed in themselves and in their causes, these organizations began to seek new ways of developing activities through the incorporation of concerns with revenue, results, assessments, and service quality, factors that have become crucial to their sustainability.

The main sources of economic and financial resources of the third sector organizations are contributions, donations, and grants. Borges (2008) presents, the distribution of public and private resources that those entities received in 2005, being 46% of own resources, 33% of private resources, and 21% of public origin, confirming the idea of decreasing the presence of the state and the transfer to the third sector entities of portion of state's responsibility for the provision of essential services to the population. This inflow of resources requires the maintenance of controls, under penalty of the utmost objective not being achieved.

In relation to public resources received, the federal government, in the context of financial transfers it does to other organizations, classifies three modalities: Constitutional Funds Transfers, Legal Funds Transfers, and Voluntary Transfers. In direct relation with entities, the instruments used for executing these funds transfers are:

(1) Repass contract. Instrument for transfer of financial resources from the union to the states, federal district, and municipalities, through financial institution, intended for the execution of government programs, established by Decree 1.819/96. It equates to the figure of the voluntary transfer arrangement. The grantor must establish an agreement with a financial institution that will set, track, and analyze transfer agreement accounts;

(2) Term of partnership. Established by Law 9.790/99, an agreement is signed between federal government and qualified entities such as Civil Society Organizations of Public Interest (OSCIP), for the development and implementation of activities considered of public interest;

(3) Agreement. Formal agreement, term, or any other instrument that governs the transfer of financial resources previously allocated in the Union's Fiscal and Social Security Budget and has as covenants: direct or indirect federal public administration organ; or entity and direct or indirect, district, municipal, or state public administration; or even non-profit private entities, aiming at the implementation of government program, involving the completion of project, activity, service, purchase of goods, or event of mutual interest, in regime of mutual cooperation.

The SICONV represents a public policy for electronic government, based on effective relationship between social actors, it also has the goal to meet the basic assumptions of service, participation, and public transparency, in addition to the effective management of agreements maintained with the federal government.

SICONV

The SICONV was created to control federal resources voluntarily transferred to other spheres of government and non-profit private organizations, increase accountability, and promote transparency. This initiative was driven by successive scandals of inappropriate use of resources transferred. At that time, Special Accounts Audits concerning resources transferred represented approximately 80% of the federal court of

Accounts of Brazil (TCU) audits.

Such situation was facilitated by the precariousness of the existent instruments for controlling and monitoring, because, unlike other areas related to public finances, such as budget, revenue control, and government procurement, the area of voluntary transfers was not touched by Information and Communication Technology (TIC) modernization that occurred in the last two decades.

By TCU's determination (TCU plenary rulings 788 and 2066/2006), Ministries: of Planning, Budget and Management, of Finance and Office of the Comptroller General (CGU) constituted an inter-ministerial working group whose work culminated with a proposition. These normative instruments brought a profound revision in the execution process and control of voluntary transfers, rationalizing, des-bureaucratizing, and providing transparency to administrative acts, both on the grantor and the covenant sides, as determined in Article 13 of Decree 6.170/2007: "Signing, release of resources, execution monitoring and rendering of accounts of federal agreements shall be recorded in the SICONV, which will be accessible to the public through the internet, by means of a specific web site called Portal of Agreements".

The SICONV was designed taking into account a set of guidelines, with particular emphasis on transparency to society, procedures simplification/streamlining, total operating cost reduction, automation of all voluntary transfers life cycle phases, support to objects standardization and strong interoperability with other structuring information systems: Federal Revenue, Administration and Finances Integrated System (SIAFI), The Official Gazette (*Diário da União*), Unified Catalog of Federal Debtors (CADIN), Information Auxiliary Services for Voluntary Transfers (CAUC), and public banks.

As a result of these guidelines, several functionalities were created for organs and entities that use the system, with emphasis to centralization of all information about transfer programs in a single internet site, creation of an unified catalog of covenants, electronic submission of proposals, online statements of resources transferred and to be transferred, status of the physical-financial execution and features for transfers monitoring and supervision.

In the signing phase, organs and entities interested in receiving resources, after register themselves in the unified catalog of covenants and prove their regular situation toward federal taxes and duties, record their proposals in the SICONV according to the rules and timelines disclosed by grantors organs in their transfer programs. Proposals are then analyzed and selected by grantors that will request supplementary information, basic project and other necessary elements. Budget is committed, all parties sign the term of agreement and an extract is automatically published in the official gazette.

In the following step, execution, federal and counterpart resources are transferred to specific and exclusive banking account, created through the SICONV in one of the public financial institutions. Covenant then initiates the execution of the agreement in accordance to the work plan presented, which may suffer adjustments along the implementation. Throughout the agreement execution, procedures for suppliers' selection, monitoring and payments are promptly recorded in the SICONV.

In step rendering of accounts, grantor records results and final beneficiaries, return any residual value to the public coffers and extracts from the SICONV a set of pre-formatted information that will constitute the rendering of accounts and sends them to its internal control for analysis. In the case of irregularity, grantor's internal control establishes a process of special taking accounts and forwards it to TCU.

As seen, the SICONV's structure and operational flow meets minimum elements required for the effective deployment of an e-gov public policy, as it contains all basic directives necessary for active society

participation in its context.

Analysis of Results

The analysis of results considers a critical description of the three basic aspects that illustrate best e-gov practices applied to the SICONV: service, transparency, and participation.

Service

Many are the factors that discourage citizens from exercising citizenship, among which stand out: impunity, absence of initiatives with positive effects, struggles in educational and social areas (especially with high indices of absolute poverty) and gigantic geographical coverage of the country. Emphasizing that objective and positive attitudes are necessary to change this reality, and that part of the population that has knowledge and power of action could contribute to inclusion of a significant portion of the population in the exercise and perform their rights and duties as citizens, and that this type of participation has been producing significant advances through the involvement of private resources in projects and actions developed in favor of corporate communities or not.

E-gov policies for citizen services offered on the SICONV's web site are:

(1) Free access that allows the knowledge about which entities maintains agreements with the public power;

(2) Publications of pertinent legislation, which are legal norms on the structure and functioning of the systems and agreements;

(3) Training, which are simulators of the SICONV's functions;

(4) Help menu, which allows the operator to access and resolve their main system issues and questions about the operation of the system and the legal norms.

Transparency

For compliance with federal laws regarding rendering of public accounts and the LRF, public acts should be widely and periodically disseminated in electronic media. Concern with abiding to these laws is due to the fact that institutional and personal sanctions were created to ensure the effectiveness of the LRF and should be applied whenever there is noncompliance. And, in this sense, changes were made to the Brazilian Penal Code by means of Law 10.028/00, called Law of Crimes of Fiscal Responsibility, in order to ensure accountability of offenders (Sacramento, 2004, p. 9).

The SICONV presents all the elements needed for effective accountability of resources and rendering of accounts, as demonstrated in Figure 1. The figure shows the interface for internal analysis, considering the whole process of execution and rendering of accounts, through the necessary records, such as procurement, records of contracts, elements of liquidation, budget execution and the effective rendering of accounts, with direct information to TCU.

This process reflects greater transparency in public spending and a consequent increase in accountability, restricting the ability of a covenant organization to commit illegal acts, once that all execution stages have checkpoints for prompt control and monitoring, allowing the public manager directly intervene when a problem is identified.

Figure 1. Modules for implementation and accountability of the SICONV. Source: Ministry of Planning.

Conclusions

Throughout this study, the main aspects of the relations between state and entities of the third sector were analyzed with respect to the maintenance of agreements kept between these organizations. The structure of analysis reported to the e-gov practices with this objective, characterizing a specific information system, the SICONV. The concern with management of public resources given to these private entities is justified by its inherent financial representativeness, citing it as an example the public funds inflow of more than 2.5 billion reais in 2008 into private entities, in which the third sector entities are in the spot light.

By analyzing the basic assumptions of services in the form of e-gov, the work highlights that the SICONV adequately meets the directives of service and transparency, but need improvements in terms of participation. This finding is a consequence of the initial focus of the system deployment, which had as its main emphasis the creation of a culture of use and the consequent improvement of the system, such as, incidentally, delimits the planning of the Ministry of Planning.

The main challenges that await the Secretary of Logistics and Information Technology of the Ministry of Planning include the training of users in the system and its integration with financial institutions, and in the medium term, the effective change of culture and focus on results.

As a proposal for further studies, it is recommended a revaluation of the deployment activities of the project, in order to verify the inclusion or not of participatory measures by covenant entities in the system administration.

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