



## **OCP Governing Board Meeting**

10 December 2024 | Virtual Meeting

### **Public Minutes**

#### **Objectives of the meeting**

The objectives of this meeting were to:

- Under strategy
  - Share reflections and updates on progress and challenges towards our strategy
- Under finance, operations & governance
  - Make decisions and give updates on key finance items, including:
    - Approval of FY24 YTD
    - Approval of FY25 Proposed Budget
  - Make decisions and give updates on key operations and governance updates, including:
    - Approval of FY24 Audit engagement
    - Approval of Accounting Policies
- Under programs
  - Discuss OCP's E-GP offer and services

#### **Attendance**

Governing Board: Sally Guyer, Alan Detheridge, Michael Owh, Joseph Asunka, Jennifer Bradley, Aidan Eyakuze, Max Nefyodov, Caroline Nicholas, Tania Perich

OCP: Gavin Hayman, Kathrin Frauscher, Steve Chaplain, Cindy Cervantes; Deep Dive: James McKinney, Gawesh Jawaheer, Sent apologies: Lindsey Marchessault (on OCP travel)

## **The Governing Board approved the following:**

### Finances

- The [minutes](#) from the last board meeting.
- The [FY24 YTD](#) report.
- The [FY25 Proposed Budget](#).

### Governance

- FY24 audit engagement with Rogers & Co.
- Updated accounting policy

## **Action Items**

The OCP team will:

- Update the Ukraine risk register incorporating Board feedback, submit for email approval, and share community feedback from the DREAM site.
- Refine communication on DREAM's role to ensure clarity for stakeholders.
- Adjust how targets are presented and refine definitions for SMEs and stakeholders.
- Hold a deep dive with the Board to discuss the new role of the US Director and any related uncertainties with the Board.
- Hold an in-person deep dive with the Board to reevaluate and refine impact and population metrics for accuracy and credibility.
- Determine whether compliance requests for the Freedom of Information Act (FOIA) for an undisclosed funder fall under the IRS or the OCP Team.
- Facilitate a more deliberate conversation across technical and program staff to ensure solutions effectively address real problems, potentially through regional discussions where focuses may differ.

## **Summary of discussions and decisions**

### Conflict of Interest declarations

At the beginning of the meeting, Caroline, Tania, Alan, Sally, Jennifer, Aidan, Joseph, Michael, and Max declared no conflict of interest with the December 10th meeting agenda or decisions.

### ED Reflections & OCP updates

### *Fundraising and finance*

The OCP Team faces a \$300K staffing funding gap for FY25 amid lower overall funding, with \$550K in likely prospects and an additional \$1.5M in likely and prospective funding. If favorable funding news isn't secured by Q1, plans will be made to address the gap. Delays in obtaining the final fundraising figures were due to time-consuming Ukraine operations. Encouragingly, new funding may quickly narrow the gap. To improve financial management, the team is considering bringing more accounting functions in-house. Pay increases and the next LIFT cohort are on hold until additional funding is secured, though LIFT's methodology continues to be integrated into projects. The Board and OCP Team discussed the need for earlier financial reviews and clarified the distinction between pipeline funding (early discussions) and prospective funding (active negotiations).

### *Ukraine*

The OCP Team and Board discussed key geopolitical shifts affecting Ukraine, US operations, and multilateral collaboration. While US support for Ukraine remains intact for now, funding uncertainties persist, particularly regarding USAID contracts. However, DREAM is fully funded for the next three years, with additional funding options from sources like the UK and Norway available if needed to fill any gaps. DREAM has scaled rapidly, now overseeing over \$10B in projects and serving as Ukraine's official Public Investment Management System. The team continues to focus on onboarding and community engagement to maximize impact while maintaining a lean structure to prevent dilution of focus. Political transitions in Ukraine have stabilized since the last board meeting, reducing immediate risks. The discussion highlighted the path forward in engaging with the new US administration and broader stakeholders while refining communication on DREAM's role and impact.

The OCP Team requested the Board's review and approval of the updated Ukraine risk register. The team will incorporate any additional feedback before circulating it for final review via email. Board members will have the opportunity to provide comments before formal approval is confirmed. Once finalized, the approved risk register will be recorded and shared.

Next steps include completing the approval process for the Ukraine risk register, refining communication on DREAM's role to ensure clarity for stakeholders, and continuing to monitor geopolitical developments to adjust risk management strategies as needed. The team will also assess international expansion opportunities while aligning with core priorities.

## USA

OCP's US portfolio is advancing, with key milestones in Boston and Portland, where Portland will become the first US OCDS publisher. The partnership with Results for America remains strong, with \$100K in expected FY25 funding. The team also welcomed André Lima as US Director following his transition from the City of Boston.

In response to the US elections, the team is preparing for policy shifts that may impact funding, multilateralism, and foreign policy. While challenges are expected, OCP remains committed to its mission, refining procurement strategies to align with evolving priorities. Vendor inclusion efforts will continue to evolve, and procurement strategies will be framed to emphasize broader economic benefits and efficiency.

The OCP Team is working to finalize contracts promptly to ensure funding continuity amid potential changes in the funding landscape. At the same time, OCP is positioning itself to seize new opportunities in vendor-friendly technology, tracking federal-to-local funding, and building coalitions with oversight organizations. The team will continue adapting as policies develop, finalize contracts by year-end, and discuss the US Director's role and any related uncertainties with the Board.

### *Team well-being, update and evolution*

The OCP Team remains focused on team wellbeing, collaboration, and workload management as the year-end sprint intensifies. With more restricted projects and budgets expected in 2025, work planning in Q1 will be a priority to ensure sustainable workloads. Feedback on the team's structural evolutions has been positive, with members feeling more empowered and decision-making becoming more efficient. Psychological safety remains a focus, with ongoing self and peer assessments and continued collaboration with outsourced HR coaching and support to improve feedback practices.

Several key personnel updates were shared. The team is also managing temporary absences while maintaining focus in key regions without overextending resources. Decentralization has strengthened the team's ability to handle transitions effectively, reducing operational strain compared to previous years. Board members acknowledged the workload and responsibilities taken on by leadership and reinforced the importance of maintaining a sustainable balance.

Looking ahead, the team will continue monitoring workloads, refining structural support, and adapting work planning to maintain efficiency and balance in the coming year.

### *Documenting progress and impact*

The OCP Team is on track to meet its goal of 10 proof points for the year, having documented eight so far and working on the final two from Portland, Mexico, and Chile. A new process to streamline proof point documentation has helped accelerate progress. While LATAM remains overrepresented in impact proof points, overall regional and thematic diversity is strong. The team is refining how impact is measured, particularly in tracking outcomes on people and spending, ensuring credibility in how these numbers are calculated and communicated.

Looking ahead to 2025, the proof point pipeline remains strong, with upcoming projects spanning multiple regions, including initiatives focused on anti-corruption, financial inclusion, efficiency, green budgeting, and flood resilience. The discussion also addressed the broader challenge of achieving OCP's long-term impact targets. Documented outcomes for 2024 show improved conditions for nearly 16 million people and over \$9.4 billion in spending, representing 1.6% and 0.5% of OCP's long-term goals. The methodology used to calculate these figures is intentionally conservative, but the team acknowledged that reaching the full targets would require large-scale systemic impacts in major economies.

The Board was asked to assess any risks in maintaining the current population impact metric and whether it should be refined based on lessons learned this year.

### *Meeting the rest of the 2024 targets*

The OCP Team reviewed its progress toward meeting 2024 targets and is on track to achieve all but two, with data usability improvements and partner funding remaining challenging. Positive outcomes include robust advocacy mandates, increased use of open contracting data, and progress in global scale achievements. While strides have been made in securing non-OCP funding, the target for this metric may not be met fully this year.

The Board discussed adjusting the metric to include projects with joint fundraising and subgrants and raised concerns about overpromoting the billion-people and spending targets. The OCP Team emphasized a conservative approach to counting both people and spending and acknowledged the need for a more nuanced evaluation of stakeholders and SMEs.

The OCP Team will adjust how targets are presented, refine definitions for SMEs and stakeholders, and hold an in-person deep dive with the Board to reevaluate and refine population metrics for accuracy and credibility.

### *Global South progress and energy*

The OCP Team saw significant progress in Latin America, Africa, and Asia in 2024, particularly in Southern countries where support for open contracting is growing. Due to their geopolitical influence, key economies like Brazil, India, Indonesia, and South Africa are seen as crucial, and the team will continue to prioritize these regions contingent on funding.

OCP's work was showcased at several key regional events, and Latin America remains the strongest region, with ongoing projects in 10 countries, especially in Brazil. The Brazilian Federal Government is expected to adopt OCDS in 2025, and the country will host America Abierta to further highlight open contracting efforts.

In Africa, the team is seeing strong results in Uganda and Rwanda, with expansion plans in South Africa, Kenya, Zambia, and Tanzania. In Asia, partnerships continue to grow in India, Thailand, Indonesia, and the Philippines.

The OCP Team will continue to prioritize and support G20 implementers like Brazil, India, Indonesia, and South Africa, focusing on their growing support for open contracting and strengthening these partnerships as funding allows.

### *Artificial intelligence*

AI continues to be a key focus globally, and the OCP Team has strengthened its thought leadership in this area. The team has published five blogs on AI, written by both OCP staff and invited experts, and shared the results of a project exploring AI's role in advancing green procurement criteria. As a result of increased credibility, OCP has been invited to collaborate on creating a new guide for AI procurement. The team has carefully discussed and agreed on clear roles and approaches to ensure the work remains independent and unbiased.

The OCP Team will continue to build its leadership in AI, ensuring that projects align with OCP's mission and maintain transparency and impartiality.

## Finance

### *FY24 YTD*

The OCP Team reported strong financial performance for FY24, receiving \$6.7M in income and exceeding the \$5.3M target. Expenses totaled \$5.9M, below the pro-rata budget, primarily due to delayed grants and Ukraine-related spending. The team is on track to meet 92% of the annual budget, with some underspend to carry over, especially for Ukraine.

92% of the income was from restricted funding, and the team is slightly under budget in certain areas, like salaries and communications, which will be addressed by year-end. The reserves account increased to \$1.1M, and \$1M in retained revenue is projected, though unrestricted funds may need to cover FY25 expenses until more restricted funding is secured.

The Board was asked to approve the YTD financial report, and the motion was seconded and approved by all members. The Board raised concerns about an anonymous funder and the potential liability under the Freedom of Information Act (FOIA). The OCP Team will look into liability under the FOIA and continue focusing on securing additional funding for FY25.

### *FY25 Budget*

The OCP Team presented the FY25 proposed budget of \$8.8M, with expected revenue from secured and prospective sources, and projects a balanced budget. However, the restricted vs unrestricted income ratio is 83%:17%, below the target of 70%:30%. The team is focused on optimizing costs and planning for potential merit-based salary increases while monitoring the budget throughout the year.

The Board reviewed the budget, noting the need to strengthen reserves and recognizing the slight decrease in unrestricted revenue compared to last year. They emphasized the importance of maximizing income and cost recovery for restricted funds to reduce reliance on unrestricted revenue. The Board also highlighted the reserve fund's 5% interest rate as a positive factor in growing the reserves.

The OCP Team will continue to monitor the budget and provide a mid-year update if there is a variance of more than 10%. The FY25 budget was approved by the Board.

### *Review remuneration and bonus payment approach*

The OCP Team provided an update on the review of remuneration and bonus payment approaches. Birches has been engaged to prepare a proposal on refreshing salary bands and potential bonus structures. The team will update the Board at the next meeting and discuss any proposed changes during the summer in-person Board meeting. Depending on the fundraising situation, any changes to remuneration are expected by 2026.

## Operations & Governance

### *Contract threshold update*

The OCP Team updated the contract threshold requirement from \$2,500 to \$10,000 for vendor contracts. This change has been implemented to streamline the vendor contracting process, reducing the administrative burden on vendors, program staff, and the executive team. Since the update, the number of vendor contracts has decreased by four over the past six months, with 60 contracts or contract amendments issued during this period. The team believes the current threshold works well and recommends maintaining it for now as it supports budget planning and helps calculate future committed costs.

### *Due diligence: Provisional guidelines for forwarding of funds*

The OCP Team provided an update on the due diligence guidelines to ensure effective and transparent use of funds while preventing fraud and poor contract performance. A recent example involved canceling a contract before any payments were made, as the vendor was not meeting performance expectations.

The Board inquired whether the contractor was known to OCP, if they had been used before, and, considering the contract's low value, if any lessons were learned from the incident. The OCP Team will review the contractor's history with OCP, assess any lessons learned, and report back to the Board.

### *Backup administrator on Ukraine bank accounts*

The OCP Team updated the Board on the backup administrator for the Ukraine bank accounts used for the DREAM project. To ensure continuity in case the Head of Ukraine Support is unavailable to make transfers, it was agreed that the Director of Finance would be the backup administrator. As of October 28, 2024, the Director of Finance now has access to transfer funds for both Ukrainian bank accounts.



The Board acknowledged the update, and no further action was required.

#### *FY24 audit*

The OCP Team proposed engaging Rogers & Co. again to conduct the FY24 audit, as it had done in previous years. A similar memo will be prepared later in FY25 regarding the audit engagement for FY25 and FY26.

The Board was asked to approve the continued audit engagement with Rogers & Co. The Board proposed and approved the engagement.

#### *Accounting policy*

The OCP Team presented the updated accounting and finance policies and procedures, highlighting material changes related to the new vendor contract threshold of over \$10K and updates regarding the potential opening of bank accounts for international sites, similar to those in Ukraine. The changes also clarify the roles and responsibilities of key staff, including who transfers funds, reconciles accounts, and has bank access.

The Board was asked to approve the updated finance and accounting policies. The Board motioned and approved the updated finance and accounting policies.

#### Deep Dive: e-Government Procurement (e-GP) Services @ OCP

The OCP Team presented an update on the development of its e-Government Procurement (e-GP) services, which aligns with the Strategy 2024-2030 and aims to scale through the development and transformation of procurement systems in various countries. The team highlighted the opportunity to support e-GP systems, particularly in regions like LATAM, Africa, and the US, where the need for user-friendly, transparent, and efficient procurement processes is growing. Notable updates include successful partnerships with Nuevo León, Mexico, and ongoing efforts in Africa, where Rwanda launched its Open Contracting portal, as well as work in the United States to advocate for human-centered procurement technology.

The Board discussed how to position e-GP services effectively in the market, emphasizing the importance of focusing on outcomes like job creation, cost savings, and transparency rather than technical details. The Board also highlighted the value of OCP's human-centered approach to e-GP, distinguishing it from the more standardized methods used by multilateral development banks (MDBs). A modular approach to e-GP

transformations was recommended for regions where governments may not be willing to pursue complete system overhauls. Several questions were raised, including how to prioritize e-GP projects, whether to focus on readiness or need for reform, and how to better engage governments and MDBs in the process. The Board also discussed the potential for peer-to-peer learning to foster ongoing exchanges of experiences across regions.

The OCP Team will use the Board's feedback to refine its approach and continue strengthening its e-GP service offerings. The Board's response emphasized the importance of refining the messaging around e-GP services, focusing on tangible outcomes such as job creation, cost savings, and transparency. The Board also encouraged the team to engage MDBs with a focus on human-centered design and to explore further ways to prioritize and select e-GP projects based on regional needs and readiness. Additionally, the OCP Team will facilitate a more deliberate conversation across technical and program staff to ensure solutions effectively address real problems, potentially through regional discussions where focuses may differ.

### Next Steps

The next virtual Board meeting is scheduled for April 9, 2025, at 9:30 am EST. The following in-person meeting will take place on July 14–15, 2025, in Boston, MA.

Minutes submitted and approved by:

DocuSigned by:  
*Kathrin Prauscher*  
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