



OCP Governing Board Meeting

24 April 2025 | Virtual Meeting

Public Minutes

Objectives of the meeting

The objectives of this meeting were to:

- Under finances
 - Discuss OCP's financial situation for this year and next year, and review the proposed FY25 budget refresh.
- Under organizational plans
 - Discuss the implications of OCP's financial situation for the team and organizational plans, and align on next steps.
- Under strategy updates
 - Share an update on how OCP has adjusted its strategy for this year and next year, including targets and progress to date.
- Under governance
 - Discuss proposed bylaw changes and provide updates on governance-related matters, including the establishment of a Dutch subsidiary.

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
 - Sent apologies: Lindsey Marchessault (on maternity leave)

The Governing Board approved the following:

Finances

- The [minutes](#) from the last board meeting.
- The [FY25 YTD report](#).
- The [FY25 Budget Refresh](#).
- Using a small portion of our reserves to provide a goodwill payment to support the transition of four staff roles concluded as part of recent team changes.

Governance

- Bylaw changes
- Board reappointment

Action Items

The OCP team will:

- Present final audit materials at the July meeting, continue close cash flow tracking, and prepare for a strategic review of Ukraine programming later this year.
- Issue a goodwill payment to the four departing team members, using funds from our reserves as approved by the Board.
- Fast-track legal work to explore establishing an OCP subsidiary in the Netherlands, based on guidance from the EC discussion.
- Revise the bylaws to reflect the new three-term limit and share the updated version with the Board.
- Notify Joseph of his reappointment and complete administrative steps to finalize the reappointment process.
- Coordinate flight bookings with Board members individually for the in-person Board meeting.

Summary of discussions and decisions

Conflict of Interest declarations

At the beginning of the meeting, Sally, Alan, Michael, Joseph, Jennifer, Aidan, Max, Caroline, and Tania declared that they had no conflict of interest with the April 24th meeting agenda or decisions.

Financial Update and FY25 Budget

OCP Overview after USAID

The Governing Board received an update on the global funding landscape following the sudden and unexpected halt in U.S. government support after the dismantling of USAID. This shift disrupted plans across the sector and introduced ripple effects across several donor channels. OCP continues to adapt strategically to this evolving environment.

In addition to the U.S. changes, broader shifts in donor priorities, including delayed disbursements, have added further complexity. In response, the OCP team has acted quickly, submitting over 20 funding proposals, expanding fee-for-service opportunities, and initiating new conversations with governments and partners. These efforts are gaining traction and positioning OCP well for FY26 and beyond.

To ensure a balanced FY25 budget, the OCP team is proposing a \$2.1M reduction across multiple categories, including some difficult staffing decisions. These changes are designed to focus resources on OCP's highest-impact work and ensure continued delivery across priority areas.

The Board expressed appreciation for the team's dedication and acknowledged the collective efforts made during this period. With continued focus and alignment, OCP remains on steady footing as the team and Board work together to navigate funding shifts, adjust the FY25 budget, and protect core priorities.

FY25 Budget

OCP's Funding Losses after USAID shutdown

The OCP team outlined a direct revenue loss of \$1.5M over two years, resulting from the U.S. funding freeze, with \$1.015M in FY25 and \$485K in FY26. This represents an 11 percent budget gap in FY25 and 6 percent in FY26.

Additionally, indirect impacts from other funders, including delayed payments and currency exchange fluctuations, have further exacerbated the shortfall. Taking these ripple effects into account, the total estimated revenue loss for FY25 and FY26 is approximately \$2M.

The team also noted that some larger funders are reviewing their aid budgets, which may result in delayed disbursements. Updates on those timelines are expected soon.

OCP's FY25 Revenue Replacement

The OCP team shared an update on recent progress in replacing lost revenue for FY25. For planning purposes, only confirmed funds are included in the proposed FY25 budget refresh.

The Ukraine program, due to its scale and mission-specific nature, continues to be managed as a distinct financial entity. While closely connected to OCP's overall operations, it is structured to remain financially self-sustaining and contributes toward core support functions. New funding has been secured to support program delivery through September, with verbal commitments in place for potential continuation over the next two to three years.

Additional emergency support has been secured and will contribute to FY26 planning. Some scheduled disbursements from existing partners have also been accelerated to support short-term stability.

New funding was recently confirmed for work in Latin America, reflecting early success in OCP's fee-for-service model. The direct engagement and investment by local governments is seen as a strong signal of growing demand for this offering.

The team currently has 22 proposals under review, with several showing promising signs. While these developments are encouraging, significant uncertainties remain, particularly with UK and European partners. These conditions reinforce the need to rebalance and prepare the organization for FY26 and beyond.

FY25 YTD Actuals

The OCP team presented FY25 year-to-date actuals through March 31, 2025. Spending remains below projections due to a cautious approach to budgeting. As of Q1, OCP has spent 21 percent of the board-approved \$8.8 million budget, compared to the planned 25 percent.

Cash receipts for the quarter totaled \$2.5M from multiple sources, including core donors and recovered funds from previously defunded USAID projects. The team successfully recouped a portion of costs incurred earlier in the year.

Total expenses for the period were \$1.87M. Spending across categories remained below budget, including program and contract services (\$1.2M), nonpersonnel (\$39K), rent (\$28K), travel (\$64K), other expenses (\$15K), and business expenses (\$10K).

OCP currently holds \$1.13M in reserves placed in short-term interest-bearing accounts.

FY25 Budget Refresh (for approval)

The OCP team presented a proposed refresh to the FY25 budget in response to updated revenue projections and the need to ensure long-term sustainability.

Secured revenue has decreased by \$1.8M, from \$8.7M to \$6.9M, including a \$400K reduction in core funding. Likely and prospective revenue are currently estimated at \$300K and \$807K, respectively.

Total budgeted expenses have been reduced by \$2M, from \$8.7M to \$6.7M. Of this, \$4.7M is allocated to core OCP operations and \$2M to Ukraine programming.

Key adjustments in the proposed budget include:

- Reduction of four staff roles, decreasing FY25 personnel costs by approximately \$200K and \$400K annually going forward.
- No planned salary increases in the upcoming appraisal cycle.
- Voluntary 5 percent salary reductions already in effect for selected members of the executive team.
- Reallocation of funds across categories, including a 38 percent reduction in implementation support and a 35 percent reduction in travel.
- Decreases in governance and overhead costs.
- A planned increase in legal expenses to support the establishment of a European subsidiary for future EU fundraising.

New Cashflow Forecast

The OCP team presented a revised cash flow forecast reflecting the updated FY25 budget. The forecast shows OCP's typical pattern of receiving more income earlier in the year, with a projected cash-positive position at year-end. Core and Ukraine expenses were shown separately to provide transparency around program-specific flows.

A surge in spending in Q1 reflects the closeout of the previous grant phase and transition between funders, with expenses tapering off for the rest of the year. No Ukraine costs are

currently budgeted after September, pending formal confirmation of a new grant, which is expected but not yet committed.

Board members expressed strong appreciation for the team's effort in navigating a challenging environment and noted the importance of the message being sent through shared cost-cutting measures. The approach was described as thoughtful and disciplined. The Board emphasized the importance of protecting reserves, especially with FY26 expected to bring continued uncertainty. It was confirmed that reserves are currently held in short-term interest-bearing accounts and remain available to support strategic needs. The importance of close cash flow monitoring was also raised, particularly given the front-loaded nature of projected income.

The Board approved the FY25 proposed budget refresh. The OCP team will continue tracking cash flow closely, maintain protected reserves, and follow up on pending Ukraine funding confirmations.

FY24 Audit Update

The OCP team shared that audit fieldwork with Rogers & Co. is underway, with another clean audit expected. While initial work was briefly delayed due to early-year budget revisions, the process is on track.

The Board welcomed the update and emphasized the importance of close cash flow monitoring. The team confirmed projections are updated weekly to ensure payroll and operational stability. There was also discussion around the long-term strategy for the Ukraine program. Funding is secured through September, with likely continuation through year-end, and a broader strategic review is expected this summer.

Final audit and 990 statements will be presented at the July meeting, and the team will continue tracking cash flow and preparing for strategic review of Ukraine programming later this year.

Organizational Adjustment and Team Changes

The OCP team and Board held a closed discussion on internal staffing and organizational adjustments. Details are confidential and not included in the public record.

Progress update

Progress and proof points

Despite external challenges and funding cuts, the OCP team remains on track to meet its 2025 target of 10 proof points. One has already been approved from the UK for its new Procurement Act and open data platform. Ten more are in the pipeline, including work in Chile, Brazil, Lithuania, Portland, the Philippines, Assam in India, Albania, Tanzania, and either South Africa or Kenya. These could contribute significantly to OCP's population and spend targets, especially with large countries like the UK and Brazil.

Additional proof points may emerge from projects in the Dominican Republic, Nuevo León, Latvia, Uganda, and Rwanda, depending on funding and outcomes. Much of this progress builds on the LIFT accelerator. The team has prioritized fundraising and documentation this year and adjusted timelines to avoid overstretch.

The Board expressed support for the team's continued focus and progress. They noted momentum in key projects, including Tanzania, Brazil, and the Philippines, and welcomed the shift toward fee-for-service work, as seen in Nuevo León. They also encouraged continued promotion of OCP's digital tools, especially those that support market intelligence and inclusion.

International norms

The OCP team has scaled back international norms work this year to focus on the most promising opportunities and allow space for fundraising and delivery priorities.

Momentum remains strong following high-level commitments at recent OGP regional summits in Asia and Africa, with growing interest in open contracting.

The team's primary focus has been finalizing new UN guidelines on digital tools to strengthen procurement integrity. These will be considered for endorsement at the UNCAC Conference of States Parties later this year.

Engagement continues with key global institutions, with an eye toward landing bilateral opportunities that can contribute to both influence and fundraising.

Countries:

Ukraine

DREAM is on track to become Ukraine's official Public Investment Management system, following legislative changes in early 2025. The platform now hosts over 11,200 projects worth \$21B, with roughly one-third receiving full or partial funding.

This year, DREAM supported three major national programs focused on recovery, school safety, and housing, demonstrating its growing role in managing and tracking large-scale investments.

UK

The UK's new Procurement Act, which includes stronger transparency and data measures, went live in February and contributed to the OCP team's first proof point of the year. The team is engaging the Cabinet Office on next steps for digital transformation and aligning procurement with broader policy priorities.

Tanzania

The OCP team is seeing strong momentum in Tanzania, where the rollout of the [national e-procurement system \(NeST\)](#) is opening doors for more transparent and inclusive procurement. A recent bootcamp in Arusha with senior government leaders helped build on this progress. The team also noted continued improvements in Kenya and Rwanda, where both governments have recently advanced their open contracting work by publishing and enhancing OCDS data.

Brazil

The OCP team is supporting the rollout of Brazil's new procurement law, which mandates open contracting data from all municipalities and states. While implementation challenges remain, particularly around data quality, the team is making progress through the Lift accelerator and collaborations with civil society. Key highlights include the launch of the Medicamentos Transparentes platform and the use of generative AI to improve data usability. New support has been secured from CAF, and an OCDS-compliant data publication is expected later this year.

Nuevo León (México)

The OCP team is supporting Nuevo León's overhaul of its procurement system through the design of a new electronic platform rooted in open contracting principles. Despite earlier setbacks due to USAID funding cuts, the state has now secured local resources to move

forward. The team will help finalize the system design, develop an implementation strategy, and build a public dashboard, with completion expected by the fall. The OCP team noted that growing appreciation for digital services is shaping a key strategic shift this year.

Philippines

The OCP team is supporting procurement reforms in the Philippines, following a high-level endorsement of open contracting by the President at the OGP Regional Summit. Building on Lift project work, the team has contributed expert feedback to the draft New Government Procurement Act and its Implementing Rules and Regulations, and [offered recommendations to streamline processes like Annual Procurement Plans and the national e-marketplace](#). Upcoming work will focus on the country's planned eGP reforms, including OCDS publication, red flag monitoring, and tracking policy progress.

Governance

Proposed Bylaw Changes (for approval)

The Board approved a bylaw amendment allowing members to serve up to three terms. This change supports continuity in leadership. The OCP team will revise the bylaws language accordingly and share updated documents.

Reappointments (for approval)

The Board unanimously approved the reappointment of Joseph for another three-year term beginning April 5, 2025. The OCP team will notify Joseph and coordinate next steps.

EU Subsidiary (for discussion)

The Board discussed the potential of establishing an OCP subsidiary in the Netherlands to enable access to European Commission funding. The OCP team shared findings from initial legal research indicating that a Dutch foundation would be the most viable and flexible structure. Board members expressed support for the direction and encouraged continued progress. The OCP team will commission further legal review and explore next steps.

Next Steps

The next in-person Board meeting is scheduled for July 14-15, 2025, in Boston, MA. The OCP team will follow up on travel logistics and remain flexible based on Board members' travel needs.

Minutes submitted and approved by:  _____
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