

NOVEMBER, 2016

ANALYSIS ON BUDGET ESTIMATES FOR THE OPERATION OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR OFFICES

Multi-Donor Trust Fund for Justice Sector Support in Serbia, World Bank



World Bank

Multi-Donor Trust Fund for Justice Sector Support in Serbia

Advise the Serbian State Prosecutor Council on Budget Estimates for the Operation of the Council and the Public Prosecutor Offices

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Introduction

The objective of the MDTF-JSS is to provide support for strengthening the justice sector of the Republic of Serbia to facilitate its integration with the European Union. Established in 2009, the MDTF-JSS pools financial contributions from nine key international development partners and is jointly executed by the World Bank and the Ministry of Justice (MOJ).

In 2014, a key activity of the MDTF-JSS was the conduct of a Judicial Functional Review, which provided a comprehensive and objective assessment of the functioning of the Serbian judiciary with recommendations and next steps, to informing the Chapter 23 accession process. The next phase for the MDTF-JSS will focus on supporting justice sector agencies to implement activities that strengthen justice system performance in line with EU benchmarks.

Serbia faces an extremely challenging fiscal situation characterized by a period of very high fiscal deficits per annum (7 percent of GDP) and growing public debt. The Government has recognized the need to make necessary fiscal savings.

Meanwhile, a range of reforms, including the introduction of a new Criminal Procedure Code in 2013, place increasing mandates on public prosecutor offices (PPOs) and the State Prosecutorial Council (SPC). Further reforms are envisaged, including the transfer of responsibilities for the financial management of PPOs from the MOJ to the SPC, which would be a significant change in operations for the justice sector in Serbia. As outlined in the Serbia Judicial Functional Review, the financial management capacities of the PPOs and the SPC are already weak and are weaker than that of the MOJ or the High Judicial Council. Arrears are accumulating and are impacting the delivery of justice services across the court network.

Scope of Work

The newly elected Council members to the SPC have requested the Bank's support in analyzing and addressing the budgetary pressures facing the prosecution system in ways that don't negatively impact the effective operation of criminal justice.

The assigned World Bank Mission Team includes Mr. Joseph Bobek (Judicial Budgeting Expert), Mr. Srdjan Svircev (Public Sector Specialist), Ms. Marina Matic (Justice Reform Expert), Ms. Hermina Vukovic Tasic (Program Assistant) and supported by the MDTF-JSS task team leader, Ms. Georgia Harley (Justice Reform Specialist).

The team worked closely with the council members and the finance team at the SPC on the following tasks:

1. Prepare a budget plan for PPOs and the SPC for 2017;
2. Estimate the additional resources needed in 2017 if competence for civil servants is transferred from the MOJ to the SPC.
3. Prepare a three-year budget projection and assessment of the capacities of the Administrative office of the SPC for the effective implementation and enforcement of budget competences.

Approach

The mission team conducted a series data collection meetings starting July 25 through July 29. **Attachment 1** lists the meetings and attendees.

Additional information and were received from the SPC during September and October.

Executive Summary

PPOs 2017 Budget Planning: In August 2016, the Administrative Office issued budget instructions to the Public Prosecutor Offices to formulate their 2017 financial plans. Even though the AO has an excellent set of financial planning procedures,¹ the procedures were not provided to the PPOs to guide the development of their financial projections. The mission team recommends the AO require the PPOs to utilize the standardized budget projection methodologies documented in the financial planning procedures developed by the budget group.² By implementing this recommendation, all PPO budget projections would be consistent across all economic classifications. This standardization would allow the budget group to utilize their time analyzing the PPOs budget requests exceeding the baseline budget projections. The analysis would provide the basis for the AO to make budget recommendations to the SPC.

SPC 2017 Budget Planning: The same budget projection methodologies should be used to formulate the 2017 base financial plan for the SPC. In order to identify SPC requirements exceeding the budget baseline, the AO Budget Group should meet with the members of the SPC to discuss new initiatives. Once they are identified, the Budget Group should estimate the additional cost to implement them.

There Year Budget Projections for the PPOs: The mission team identified three major funding deficiencies in need of resolution: 1) the explosion in arrears; 2) the growing number of backlog cases, and 3) the unequal distribution of workload in the PPOs. All three have major budget implications.

Explosion in Arrears: For the period prior to January 2016, the arrears totaled 166,879,243 RSDs and for the first six months in 2016, the arrears jumped to 307,232,981 RSDs. The total arrears as of June 30 was 485,546,810 RSDs. As of September 30, the arrears grew an additional 86,682,029 RSDs. If the growth continues at this rate, the 2016 end of year arrears will reach 658,910,868 RSDs. The SPC may be able to secure additional funding from the MOF if it can be demonstrated significant saving can be achieved by paying ex-officio attorneys and experts in a timely manner.

Growing Number of Backlog Cases and Unequal Distribution of Resources: The SPC working group developed a “Rulebook for the Evaluation of Complexity and Difficulty of Cases in Public Prosecution Offices in the Republic of Serbia” in 2015. The rulebook was informally evaluated by the European Commission and the Commission concluded the rulebook should be implemented immediately. The SPC should establish a working group to analyze the results of applying the case weighting system to the allocation of resources. The analysis would identify PPOs that are overstaffed and those in need of additional resources. The resolution of the overstaffed offices would need to be addressed possibly by changing regulations or laws allowing for early retirement or providing allowances for prosecutors that agree to relocate to understaffed offices. The analysis will identify other options for addressing this issue.

¹ The financial planning procedures provided to the assessment team is a replicate of the financial management procedures developed and utilized by the HJC.

² Names of the budget group

Increasing Case Resolution with the Implementation of Performance Norms: The development of performance norms with the application and use of case weighting would identify those deputy prosecutors that consistently perform below the established norms. In order to increase the performance of those deputy prosecutors, additional training and/or the institution of a mentoring program should be developed by the SPC.

Transfer the Administration of the Civil Servants from MOJ to SPC: The mission team was informed by the assistant secretary of the High Judicial Council that a tentative meeting was scheduled in September with the MOJ to discuss transition planning. It is important that the SPC participates in those meetings to help formulate the plan for the transfer of both MOJ staff to the SPC AO and their related operating expenses.

Systemization Plan and Financial Plan Estimates for the Salary and Benefits of Civil Servants: Based on the information provided by the financial staff at the Higher Public Prosecutor Office in Belgrade, their financial plan estimates submitted to the SPC includes the salaries and benefits for the number of civil servants assigned to the Higher Public Prosecutor Office. Assuming all PPOs provide the same information, the salaries and benefits funds for all civil servants assigned to the PPOs is available to the SPC. These amounts would be transferred from the MOJ financial plan to the SPC.

Assessment of the Capacities of the AO Budget Staff to Effectively Implement and Enforcement of Budget Guidelines: The report on the training needs of the SPC Administrative Office identified numerous training subject areas that would benefit the AO budget and accounting staff. None of the training subject areas deal with improving the capabilities of the Administrative Office to effectively implement and enforce budget directives. The main focus of the training is to expand and improve the skill set of the staff. During the mission team meetings where the budget staff participated in the discussions, they showed a significant level of competence to effectively implement and enforce budget directives and guidelines.

1. Preparation of the Budget Plan for the PPOs Budget for 2017

1.1. 2017 Financial Plans Prepared by the Public Prosecutors Offices (PPOs)

The financial plans and three-year budget projections are transmitted to the Ministry of Finance (MOF) in November of the current year. To provide sufficient lead time for the PPOs to prepare their financial plans and three-year projections, the Administrative Office's (AO) Group for Planning/ Execution of the Public Prosecutor Offices (Budget Group), issue planning instructions to the PPOs in August. Normally the financial plan instructions from the MOF are received a few days prior to the due date in November. Traditionally, there are few changes in the MOF instructions from year-to-year.

The financial planning guidance issued by the Budget Group only requires the preparation of the plans using excel spreadsheets. The annual financial plan estimates are prepared by economic classification of expenditures. **Attachment 2** lists the economic classifications involved in the planning process.

Based on the information provided by the financial staff from the Higher Prosecutor Office in Belgrade: 1) salaries for staffing in the financial plan contains estimates reflecting the current number of filled prosecutor, deputy prosecutors, and civil servants positions; and 2) operating expenses by economic classification are based on prior year expenditures plus a growth factor of 10%.

In addition to the financial plan estimates based on prior year expenditures, the PPOs are asked to identify additional requirements above the financial plan estimates supported with appropriate narrative budget justification material. The PPOs also provide financial plan estimates for the three years beyond the current year financial plan amounts. The PPOs current year financial plans plus the three future year estimates are sent to the Budget Group for processing.

The Senior Advisor in the Budget Group informed the mission team the financial plans from the PPOs are consolidated. The PPOs budgets are not analyzed or evaluated by the Budget Group. Once the PPOs budgets are consolidated, they are presented to the State Prosecutor Council for approval and forwarded to the MOF. It appears the Budget Group relies on the PPOs following the budget instructions negating the need to analyze the individual financial plans.

1.2. Financial Planning Procedures Developed by the AO Budget Group

Attachment 3 are the financial planning procedures provided to the mission team by the Budget Group. The guidelines on the various cost estimating methodologies are sound. However, there is no indication these procedures were issued to the PPOs for guidance in preparing their financial plans. The three methodologies discussed in the procedures for use in projecting costs by economic classification are: 1) actual costs; 2) average costs plus inflation, and 3) linear projections.

1.2.1. The actual cost methodology is used when projecting the following:

- Salaries and contributions for public prosecutors, deputy public prosecutors and other employees of the public prosecutor's offices, including the increase of salaries in line with the indexation created by the Ministry of Finance;

- Durable goods for which the procurement is not repeated, the duration of which is provided for a longer period (furniture, equipment, passenger vehicles, procurement of unique products, etc.);
- Fixed-term contracts for services and engagements.

Draft for discussion

1.2.2. The average costs plus inflation methodology is used when projecting the following:

- Office supplies;
- Maintenance and repairing of equipment;
- Regular travel costs for employees;
- The average cost amounts are reduced by extraordinary expenses incurred during the year and expected inflation is added to the revised amount.

1.2.3. The linear projection methodology:

This cost estimating method is used for line item expenses that are approximately the same every month:

- Land lines;
- Photocopying;
- Etc.

Added to the computed cost is inflation and price changes for these goods and services contemplated by the suppliers.

If all PPOs used the same methodology, the Budget Group would not need to spend time analyzing the financial plan projected amounts by economic classification. This would provide additional time for the Budget Group to review and evaluate the PPOs additional requirements supported with comprehensive budget justification material.

Recommendation 1: For the development of the 2017 financial plans, the Budget Group should prepare a table listing all economic classification line items with the appropriate projection methodologies to be used to calculate the financial plan requirements. All PPOs will be required to use this methodology.

Recommendation 2: If it is determined that it is too late to initiate the above planning tool for the 2017 planning cycle, the Budget Group should work on automating the financial planning process. The Budget Group should enlist the services of an expert to automate the financial planning process. The expert should create a spreadsheet with embedded formulas for each economic classification. The users would only be required to enter the appropriate expenditure amount for each economic classification and the embedded formulas would calculate the planning amount.

By implementing the recommendation, all PPO budget projections would be consistent across all economic classifications. This standardization would allow the budget group to utilize their time analyzing the PPOs budget requests exceeding the baseline budget projections. The analysis would provide the basis for the AO to make budget recommendations to the SPC.

1.3. Budget Justification Guidance

The attached 'Procedure for the Preparation of Financial Plans contains excellent guidance on preparing the textual explanation of the requests for financing future activities. The budget justification text should be a concise description of how the financing will impact the work of the PPOs.

The explanations should consider the following factors:

- The number of public prosecutors and other staff that will be affected by the request for funding;

- Problems in the functioning of the office which would occur if the funding request was rejected;
- The effect on case management;
- Quality of services provided to prosecutor office users and citizens;
- The effect of the implementation of law amendments.

2. Three-Year Budget Projections for the PPOs

The mission team identified three major areas in the budget the SPC should consider for resolution in preparing the guidelines for the three-year budget projections from the PPOs: 1) the explosion in arrears; 2) the growing number of backlog cases, and 3) the unequal distribution of workload in the PPOs. All three have major budget implications. The SPC may want to draft budget projection guidelines requesting the PPOs to prepare their three-year projections addressing each deficient area.

For example the fiscal year 2018 budget projections should request adequate resources to resolve the arrears funding problem; the 2019 budget projections should include funding to begin resolving the growing case backlog, and the 2020 budget projections would request resources to continue reducing case backlog and initiating a plan to address the unequal distribution of workload.

3. Preparation of the 2017 Budget Plan for the SPC

The budget projection methodologies discussed under section 1.2 above for the preparation of the PPOs financial plans should be followed in preparing the 2017 financial plan for the SPC. The methodology is sound. If applied to the historical expenditure patterns, the results should adequately fund the day-to-day operations of the SPC. In addition, the Budget Group will need to conduct interviews with the members of the SPC to discuss new initiatives beyond the base budget amount necessary for the continuing operations of the SPC. Once the new initiatives are collected, the Budget Group should estimate the additional cost to implement the initiatives.

In addition to collecting the new initiatives for the current financial plan year, the Budget Group should work with the new members of the SPC to assist them in defining what they plan to accomplish during their 5-year term in office. During the data collection portion of the mission, the team was informed by that the new members plan to complete their work on identifying what they plan to accomplish during their term in office late in 2016. The information in their plan should help provide the basis for SPC's three-year budget projections. The mission team supports the initiative by the new members of the SPC to identify what they plan to accomplish during their term in office.

The following is a proposed budget formulation calendar of events based on the "Budget System Law."

- February 15 – the SPC issues guidance to the PPOs to submit their priority areas of funding for the budget year and the subsequent two years.
- March 1 – March 15 - the SPC shall define their own priorities and organize the collection of proposals for investments from the PPOs.
- March 1 – March 15 – the AO Budget Group analyzes the proposed priority areas of funding of the SPC and PPOs.
- March 15 - the SPC shall submit the proposals for priority areas of funding for the current budget year and the subsequent two years to the MOF through the MOJ.
- June 1 – the MOF adopts the instruction for the preparation of draft budget of the Republic of Serbia. The instructions include budget ceilings for the draft financial plan of the SPC.

- June 8 – the AO Budget Group issues the MOF budget instructions as modified by the Budget Group to the PPOs.
- June 1 – June 30 the SPC determines the financial plan ceiling for each indirect budget beneficiary (PPOs).
- July 1 – the SPC drafts budget instructions that include the draft financial plan ceilings for each PPO. Provision is included for the PPOs to request resources above the financial plan ceiling.
- July 1 – The Administrative Office Budget Staff circulates a budget memorandum among the members of the SPC requesting any additional financial requirements above the financial plan level in the current fiscal year budget and into the two years beyond the budget year.
- July 1 – July 31 – the Administrative Office Budget Staff meet with the members of the SPC to discuss their budget requirements.
- August 1 – the PPOs submit their draft financial plans by economic classification totaling to the financial plan ceilings provided by the SPC and the additional resources required above budget the financial plan ceiling. The additional resources are supported with narrative budget justification. In addition to the budget year proposals, the PPOs submit their estimated funding requirements for the two years beyond the budget year.
- August 1 – the SPC financial requirements for the budget year and the two years beyond the budget year are drafted by the Administrative Budget Office and submitted to the SPC for review and approval.
- August 1 – August 25 – the Administrative Office Budget Staff analyses and consolidates the budget proposals from the PPOs. The financial plans proposals for the PPOs along with the Budget Staff analysis is presented to the SPC for review and approval.
- August 25 – August 31 – the Budget Staff prepares the financial plan documents in the format prescribed by the MOF.
- September 1- the SPC transmits the financial plan documents to the MOF.
- September 1 – September 15 – the Budget Staff informs the PPOs the financial plan amounts included in the proposal transmitted to the MOF.

4. Identification of Potential Saving Included as part of the Budget Justification Material

Ex-Officio Attorneys and Experts Reimbursement: It appears significant savings can be achieved by paying ex-officio attorneys and experts in a timely manner. Attorneys and experts have sued the PPOs to force the institution to pay their claims. The initial cost to the government is the cost of representing the government during the litigation process. There are additional costs assuming the litigant is successful. The judgments of the court in favor of the litigant go into what is called a “forced collection.” If the claim is not paid timely, the claim accrues interest until it is paid.

Recommendation 3: The SPC should compare the cost of settling a random sample of “forced collections” to the cost of paying the litigant in a timely manner. The results of the sample should be applied to an

estimated number of “forced collection” expected in the fiscal year 2016. The estimated saving could be used to justify additional funds from the MOF to eliminate the source of the arrears.

5. Implementation of the Case Weighting Rulebook

The SPC working group developed a “Rulebook for the Evaluation of Complexity and Difficulty of Cases in Public Prosecution Offices in the Republic of Serbia” In 2015. The new composition of the SPC should continue work on the Rulebook. The rulebook was informally evaluated by the European Commission. The Commission proposed a series of recommendations to amend the rulebook and the Commission concluded the Rulebook should be implemented immediately.

5.1. Allocation of Resources

The SPC should establish a working group to analyze the results of applying the case weighting system to the allocation of resources. The analysis will identify PPOs that are overstaffed and those in need of additional resources. The resolution of the overstaffed offices would need to be addressed possibly by changing regulations or laws allowing for early retirement or providing allowances for prosecutors that agree to relocate to understaffed offices.

The understaffed offices will require adding additional deputy prosecutors to reduce the backlog in unresolved cases or developing alternatives to adding deputy prosecutors. Once the backlog is reduced, the question of what to do with the excess number of deputy prosecutors in those offices. The working group should examine other alternatives to adding more deputy prosecutors. Possible alternatives would be to bring back retired prosecutors or employing temporary lawyers as deputy prosecutor assistants to prepare the cases for final resolution by permanent deputy prosecutors.

Recommendation 4: The President of the SPC should appoint a working group composed of individuals representing the SPC, PPOs, MOJ and MOF to study the issue of under and overstaffed offices and prepare alternatives to resolve the issue.

5.2. Performance Norms

The same working group could use the case weighting system to establish case resolution norms of performance. The application of the performance norms would identify those deputy prosecutors that consistently perform below the established norms. Increasing the performance of the deputy prosecutors might be addressed by identifying additional training or the institution of a mentoring program.

Recommendation 5: As soon as the Case Weighting Rulebook is adopted by the SPC, the SPC should appoint a working group to guide the implementation and use of the Rulebook. In addition, the working group should contact the Judicial Training Academy requesting the design of a training program to elevate the performance of under-performing Public Prosecutors. The Academy should also consider instituting a mentoring program to supplement the formal training program.

6. Transfer the Administration of the Civil Servants from MOJ to SPC

The prosecutor systemization plan is administered by the SPC and the civil servants by the MOJ. It is contemplated the administration of the civil servant's positions will be transferred to the SPC in December 2016 or January 2017. The mission team was informed by the assistant secretary of the High Judicial Council that a tentative meeting was scheduled in September with the MOJ to discuss transition planning. It is important that the SPC participates in the meetings to help formulate the plan for the transfer of both MOJ staff to the SPC AO and their related operating expenses.

7. Staffing Plan and Financial Plan Estimates for the Salary and Benefits of the Civil Servants

Based on the information provided by the financial staff at the Higher Public Prosecutor Office in Belgrade, they include in their financial plan submitted to the SPC for the budget year the salaries and benefits for the number of civil servants assigned to the Higher Public Prosecutor Office. The information is also reported quarterly on the financial reports sent to the SPC. Assuming all PPOs provide the same information for the civil servants assigned to their offices, the amount of salaries and benefits funds are currently available to the SPC for all civil servants assigned to the PPOs. These amounts would be transferred from the MOJ financial plan to the SPC.

Recommendation 6: The Administrative Office Budget Group should request an automated copy of the payroll records by individuals assigned to the PPOs. In addition, the Administrative office should prepare a table comparing the MOJ payroll records with the payroll information provided by the PPOs to determine if there are any inconsistencies that require resolution before the transfer.

8. Centralizing Financial Staff Support Functions

During the mission team visit to Belgrade Higher Public Prosecutor Office, the financial staff discussed their organization structure. The Higher Public Prosecutor Financial Office was providing both financial planning and accounting support to all of the PPOs located in their facility. Each PPO provides financial staff resources assigned to the Higher Public Prosecutor Financial Office. Centralizing support services in locations housing more than one PPO appears to be an efficient utilization of resources.

Recommendation 7: Based on the positive experience in the Belgrade Higher Public Prosecutor Office with centralizing financial support services, the SPC should consider centralizing financial support services in other locations housing multiple PPOs.

9. Auditing Attorneys and Experts Invoices

The mission team was also informed the financial staff performed an audit of all attorney and expert invoices. The staff estimated a saving of approximately 10 % of the total value of the invoices audited.

Recommendation 8: The AO Budget Group should ask the financial staff from the Belgrade Higher Public Prosecutor to document the procedures they employ in auditing their attorney and expert invoices. The procedures should be circulated to all PPOs for their use in auditing the invoices they receive. To

determine the effectiveness of the system-wide auditing program of attorney and expert invoices, the Budget Group should design a report to collect the annual system-wide saving achieved.

10. Sentencing Guidelines and the Impact on Plea Bargaining:

The mission team was informed that sentencing guidelines may increase plea bargaining in serious cases. He mentioned Serbian Judges are noted for prescribing light sentences. Also Judges, for the same offense, do not necessarily prescribe the same sentence. Some sentences are more lenient than others. The accused in many serious cases elect to go to trial knowing they may get lighter sentences. Sentencing Guidelines would cure the disparity in sentencing and may have the effect of encouraging the accused in many cases to elect a plea bargain arrangement. This has the potential for significant savings in the cost to the court to try the case, the cost of court-appointed counsel and expert witnesses. The implementation of sentencing guidelines may require legislation to implement Sentencing Guidelines.

Recommendation 9: In order to estimate the annual potential savings by implementing sentencing guidelines, the SPC should analyze the cost of trying a sampling (5 to 10 cases) of serious violation cases compared to the cost of resolving the cases through a plea bargain. The average difference or saving between a trial and plea bargain can then be applied to an estimated number of serious violation cases that would plead out rather than going to trial in a fiscal year. The calculated potential saving can be used to support legislation implementing sentencing guidelines in the courts.

11. Assessment of the Capacities of the Administrative office of the SPC for the effective implementation and enforcement of budget competences

The report on the training needs of the SPC Administrative Office identified numerous training subject areas that would benefit the AO budget and accounting staff. The chart below identifies the specific areas where it was determined the staff was deficient. None of the training subject areas deal with improving the capabilities of the Administrative Office to effectively implement and enforce budget directives. The main focus of the training is to expand and improve the skill set of the staff. During the mission team meetings where the budget staff participated in the discussions, they showed a significant level of competence to effectively implement and enforce budget directives and guidelines.

Table 1
Training Needs Assessment

	Group for Planning/Execution PPO Budgets				Group For Finance and Accounting		
	Sr. Advisor/Head of Group	Associate/ Analytics/ Planning	Junior Associate/ Analytics/ Planning	Clerk/Budget Execution Monitoring/ Data Processing	Senior Advisor/Head of Group	Advisor/Financial and Material Issues	Clerk/Data Entry
Strategic Planning	✓				✓		
Performance Management and Budgeting	✓	✓	✓		✓		
Budget Negotiations	✓						
Process Reengineering	✓	✓	✓		✓		
Financial Projections	✓	✓	✓		✓		
Financial Data Analysis Tools	✓	✓	✓	✓	✓	✓	✓
Internal Audit							
Leadership and Human Resources Management	✓				✓		
Project Management	✓				✓		
Performance Evaluation\ Public & Deputy Prosecutors							
External Communications							
English Skills Related to Justice Sector Operations							
Job-Specific Information Technology Applications	✓	✓	✓	✓	✓	✓	✓

12. Arrears Funding Issues

According to the Serbian Functional Review conducted in October 2014, the PPOs did not show any arrears in 2012 and 2013. During that time period, it was evident that many PPOs did not make any payments to the lawyers or expert witnesses engaged in accordance with the Criminal Procedure Code. These services included mandatory legal defense, expert witnesses, interpretation, prisoner transportation, and detention. This lack of payment resulted in a sudden explosion of arrears. Table 2 below shows for the period prior to January 2016, the arrears totaled 166,879,243 RSDs and for the first six months in 2016, the arrears jumped to 307,232,981 RSDs. The total arrears as of June 30 was 485,546,810 RSDs. As of September 30, the arrears grew an additional 86,682,029 RSDs. If the growth continues at this rate, the 2016 end of year arrears will reach 658,910,868 RSDs.

Table 2
Total Arrears as of June 30, 2016

Appellate, Higher and Basic Prosecutor Offices			
	Arrears from previous years	Arrears as of June 30, 2016	Total
Arrears to social rights	782,850	-	782,850
Arrears to enterprises	38,541,132	57,235,138	95,776,271
Arrears to the state authorities	3,474,076	18,397,156	33,305,818
Further delay	124,081,185	231,600,686	355,681,871
TOTAL	166,879,243	307,232,981	485,546,810

Total Arrears as of September 30, 2016

Appellate, Higher and Basic Prosecutor Offices			
	Arrears from previous years	Arrears As of September 30, 2016	Total
Arrears to social rights	782,850	613,256	1,396,106
Arrears to enterprises	24,612,802	68,866,073	93,478,876
Arrears to banks and NTB	230,500	6,651,144	6,881,644
Arrears to the state authorities	11,862,230	30,921,271	42,783,501
Further delay	96,913,525	330,775,187	427,688,712
TOTAL	134,401,907	437,826,931	572,228,839

The growth in arrears has a direct negative impact on service delivery. It has been reported an increasing number of lawyers and expert witnesses refuse to work unless they are paid in advance causing delays and adjournments in the scheduling of hearings. The mission team was informed the Belgrade Medical Faculty does not want to analyze DNA samples sent from PPOs because the arrears are massive. This refusal has a direct negative influence on the criminal justice system and investigations.

The functional review team in 2014 concluded arrears undermines the Courts and PPOs operational effectiveness by complicating their relations with service providers. Courts and PPOs owing providers money are in a poor position to negotiate for better quality or lower rates for services. Relationships with providers should be at arm's length and beyond reproach, but that is not always the case.

Table 3 shows the arrears problem based on the time delay in the payment of the invoices. The majority of the arrears in both June and September requiring liquidation are more than 90 days old.

Table 3
Aging Total Arrears as of June 30, 2016

Appellate, Higher and Basic Prosecutor Offices				
	UP TO 30 DAYS	60 Days	90 Days	More than 90 Days
Arrears of social rights	-	-	-	782,850
Arrears to enterprises	11,244,321	11,645,352	15,588,477	54,530,284
Arrears to the state authorities	4,084,051	3,607,596	4,369,225	20,541,663
Further delay	32,984,339	30,905,253	41,798,158	253,465,240
Total	48,312,712	46,158,201	61,755,860	329,320,037
Grand total all arrears				485,546,810

Aging Total Arrears as of September 30, 2016

Appellate, Higher and Basic Prosecutor Offices				
	UP TO 30 DAYS	60 Days	90 Days	More than 90 Days
Arrears of social rights	-	-	-	782,850
Arrears to enterprises	14,827,740	12,919,185	10,191,150	62,859,536
Arrears to banks and NBY	-	-	-	-
Arrears to the state authorities	4,656,120	5,184,731	4,730,403	27,061,524
Further delay	43,274,153	39,888,520	47,197,616	298,655,311
Total	62,758,013	57,992,436	62,119,169	389,359,221
Grand total all arrears				572,228,839

Table 4 shows the percentage growth in the value of unpaid invoices by age. In total, the value of unpaid invoices grew by 18 %. Also, the percentage change in the aging of arrears was relatively the same in both the June and September time periods.

Table 4
Percentage Growth in the Arrears by Age

Aging Arrears as of	UP TO 30 DAYS	60 Days	90 Days	More than 90 Days	Total Arrears
9/30/2016	62,758,013	57,992,436	62,119,169	389,359,221	572,228,839
% of total	11%	10%	11%	68%	
6/30/2016	48,312,712	46,158,201	61,755,860	328,537,187	484,763,960
% of total	10%	10%	13%	68%	
Growth in Arrears 9/30 minus 6/30	14,445,301	11,834,235	363,310	60,822,034	87,464,880
Total % growth					18.04%

Tables 4, 5 and 6 compares the growth in arrears by organization from June 30 to September 30, 2016.

Table 5
Arrears for Appellate Public Prosecutor Offices

	Arrears from previous years	Arrears As of June 30, 2016	Total
Arrears to social rights	782,850	0	782,850

	Arrears from previous years	Arrears As of September 30, 2016	Total
Arrears to social rights	782,850	0	782,850

Table 6
Arrears for Higher Public Prosecutor Offices

	Arrears from previous years	Arrears As of June 30, 2016	Total
Arrears of social rights	-	-	-
Arrears to enterprises	26,195,535	27,092,647	53,288,182
Arrears to banks and NBY	-	-	-
Arrears to the state authorities	11,434,586	7,808,266	19,242,852
Further delay	81,645,783	103,239,369	184,885,151
TOTAL	119,275,904	138,140,282	257,416,186

	Arrears from previous years	Arrears As of September 30, 2016	Total
Arrears to social rights	0	0	0
Arrears to enterprises	21,141,970	34,887,934	56,029,904
Arrears to banks and NTB	-	-	-
Arrears to the state authorities	8,231,304	14,432,317	22,663,621
Further delay	67,485,205	138,624,892	206,110,097
TOTAL	96,858,479	187,945,143	284,803,622

Table 7
Arrears for Basic Public Prosecutor Offices

	Arrears from previous years	Arrears As of June 30, 2016	Total
Arrears of social rights	-	-	-
Arrears to enterprises	12,345,597	30,142,491	42,488,089
Arrears to banks and NBY	-	-	-
Arrears to the state authorities	3,474,076	10,588,890	14,062,966
Further delay	42,435,402	128,361,317	170,796,719
Total	58,255,075	169,092,699	227,347,774

	Arrears from previous years	Arrears As of September 30, 2016	Total
Arrears to social rights	-	613,256.00	613,256.00
Arrears to enterprises	3,470,832	33,978,139	37,448,971
Arrears to banks and NTB	230,500	6,651,144	6,881,644
Arrears to the state authorities	3,630,926	16,488,954	20,119,880
Further delay	29,428,320	192,150,295	221,578,615
Total	36,760,578	249,881,788	286,642,366

Table 8 shows the percentage growth in arrears by organization. The percentage growth in Basic Prosecutor Offices more than doubled the growth in Higher Offices. The percentage growth for the three-month period grew by almost 18%. The majority growth in arrears was in the Basic PPOs.

Table 8
Percentage Growth in Arrears by Organization

Prosecutor Offices	Total Arrears As of June 30, 2016	Total Arrears As of September 30, 2016	Change September over June	% Growth
Appellate	782,850	782,850	-	0%
Higher	257,416,186	284,803,622	27,387,436	10.6%
Basic	227,347,774	286,642,366	59,294,592	26.1%
Total	485,546,810	572,228,838	86,682,028	17.9%

13. Staffing and Workload in the Higher Public Prosecutor Offices

The mission team briefly analyzed caseload in PPOs and a more comprehensive analysis is required. The main conclusion is the unequal distribution of cases and an increasing case backlog. Solving these challenges would have budget implications but also require good human resource management and planning which have never been exercised in the past.

Table 9
Staffing and Workload in the Higher Public Prosecutor Offices in Fiscal Year 2015

Higher Public Prosecutors Office										
		1	2	3	4	5	6	7	8	9
	Name of institution	Staff	Total Cases for Resolution	Average Number of Cases Assigned per Prosecutor	Number of Positions To Equalize all Offices at 355	Adjustment by Office	Resolved Cases	Average Number of Cases Resolved per Prosecutor	Number of Positions To Equalize all Offices at 284	Adjustment by Office
1	BELGRADE	45	16336	363	46	1	10159	226	36	(9)
2	VALJEVO	4	2562	641	7	3	2270	568	8	4
3	VRANJE	6	2224	371	6	0	2061	344	7	1
4	ZAJEČAR	4	2248	562	6	2	1888	472	7	3
5	ZRENJANIN	4	2310	578	7	3	1752	438	6	2
6	JAGODINA	7	2346	335	7	(0)	2165	309	8	1
7	KOSOVSKA MITROVICA	3	0	-	-	(3)		-	-	
8	KRAGUJEVAC	8	2639	330	7	(1)	2540	318	9	1
9	KRALJEVO	4	2367	592	7	3	2167	542	8	4
10	KRUŠEVAC	5	2995	599	8	3	2884	577	10	5
11	LESKOVAC	4	1887	472	5	1	1709	427	6	2
12	NEGOTIN	5	698	140	2	(3)	625	125	2	(3)
13	NIS	12	3593	299	10	(2)	3349	279	12	(0)
14	NOVI PAZAR	6	1005	168	3	(3)	804	134	3	(3)
15	NOVI SAD	14	5581	399	16	2	4269	305	15	1
16	PANČEVO	6	1823	304	5	(1)	1526	254	5	(1)
17	PIROT	3	933	311	3	(0)	793	264	3	(0)
18	POŽAREVAC	6	1230	205	3	(3)	1115	186	4	(2)
19	PROKUPJE	4	1258	315	4	(0)	1135	284	4	(0)
20	SMEDEREVO	4	1484	371	4	0	1248	312	4	0
21	SOMBOR	4	1840	460	5	1	1325	331	5	1
22	SREMSKA MITROVICA	7	2040	291	6	(1)	1480	211	5	(2)
23	SUBOTICA	4	1805	451	5	1	1329	332	5	1
24	UŽICE	4	1748	437	5	1	1587	397	6	2
25	ČAČAK	4	1212	303	3	(1)	975	244	3	(1)
26	ŠABAC	9	1902	211	5	(4)	1761	196	6	(3)
TOTAL		186	66066	355	186	(21)	52916	284	186	(23)
	Net Additional Position					21				23

Column 1 is the number of staff by office according to the systemization plan approved by the MOF. Column 2 shows the total number of cases to be resolved by office. The total number of cases to be resolved in 2015 was 66,066. The total number of cases 66,066 divided by the 186 positions available averages 355 cases per position. Column 3 shows the average number of cases per position by office. There is a significant variance in the average number of cases to be resolved by the number of positions assigned to each office. The numbers in red show those offices with less than the 355 average for all of the offices. Column 4 shows the number of positions required by office if all offices were equalized to process the average of 355 cases. Column 5 shows 11 offices would need increases in positions and 10 would lose positions if the workload was distributed evenly across all offices.

Column 6 shows the total number of cases resolved in 2015. Column 7 computes the average number of cases resolved by office. The 52,916 cases resolved divided by the 186 positions averages 284 for all offices. The numbers in red are those offices that do not meet the average of 284 cases. There are 14 offices that exceed the average and 10 offices that are below the 284 cases. Column 8 shows the number of positions required if all offices were equalized to process the average of 284 cases. Column 9 shows 13 offices would need increases in positions, 8 would lose positions and 4 would remain the same if the workload was distributed evenly across all offices.

Table 10
Average Number of Cases Assigned per Higher Public Prosecutors in Fiscal Year 2015
List High to Low by Office

Name of Institution	Average Number of Cases Assigned per Prosecutor
VALJEVO	641
KRUŠEVAC	599
KRALJEVO	592
ZRENJANIN	578
ZAJEČAR	562
LESKOVAC	472
SOMBOR	460
SUBOTICA	451
UŽICE	437
NOVI SAD	399
SMEDEREVO	371
VRANJE	371
BELGRADE	363
JAGODINA	335
KRAGUJEVAC	330
PROKUPLJE	315
PIROT	311
PANČEVO	304
ČAČAK	303
NIS 12	299
SREMSKA MITROVICA	291
ŠABAC	211
POŽAREVAC	205
NOVI PAZAR	168
NEGOTIN	140
KOSOVSKA MITROVICA	-
TOTAL	355

Table 11
Average Number of Cases Resolved per Higher Public Prosecutor in Fiscal Year 2015
List High to Low by Office

Name of institution	Average Number of Cases Resolved per Prosecutor
KRUŠEVAC	577
VALJEVO	568
KRALJEVO	542
ZAJEČAR	472
ZRENJANIN	438
LESKOVAC	427
UŽICE	397
VRANJE	344
SUBOTICA	332
SOMBOR	331
KRAGUJEVAC	318
SMEDEREVO	312
JAGODINA	309
NOVI SAD	305
PROKUPLJE	284
NIS	279
PIROT	264
PANČEVO	254
ČAČAK	244
BELGRADE	226
SREMSKA MITROVICA	211
ŠABAC	196
POŽAREVAC	186
NOVI PAZAR	134
NEGOTIN	125
KOSOVSKA MITROVICA	0
TOTAL	284

14. Backlog Reduction in the Higher Public Prosecutor Offices

Unresolved Cases at Beginning of	New Cases Received	Total Cases for Resolution	Cases Resolved	Unresolved Cases at End of Year
7,835	58,131	66,066	52,916	13,013

At the start of 2015, there were 7,835 unresolved cases. The unresolved cases at year end increased by 5,178 cases. In order to reduce the 13,013 unresolved cases to zero over a three-year period, it would require adding 15 positions for a three-year period. This was computed by dividing 13,013 cases by 3 and

assuming an average of 284 cases resolved per position. Once the 15 deputy prosecutors are no longer need, they become a financial burden on the system. Deputy prosecutors are appointed for life.

Another approach to backlog reduction would be to institute a program to redeploy a portion of the 23 positions located in overstaffed offices. The SPC may want to consider developing incentives for temporary relocation of deputy prosecutors to resolve the backlog issue. There may be other alternatives to adding more deputy prosecutors. Possible alternatives would be to bring back retired prosecutors or employing temporary lawyers as deputy prosecutor assistants to prepare the cases for final resolution by permanent deputy prosecutors.

15. Staffing and Workload in the Basic Public Prosecutor Offices

As mentioned above, the mission team briefly analyzed caseload in PPOs and a more comprehensive analysis is required. The main conclusion is the unequal distribution of cases and an increasing backlog. Solving these challenges would have budget implications but also require good human resource management and planning which have never been exercised in the past.

Table 12 Staffing and Workload in the Basic Public Prosecutor Offices in Fiscal Year 2015

		1	2	3	4	5	6	7	8	9
	Name of Institution	Staff	Total Cases for Resolution	Average Number of Cases Assigned per Prosecutor	Number of Positions To Equalize all Offices at 850	Adjustment by Office	Resolved Cases	Average Number of Cases Resolved per Prosecutor	Number of Positions To Equalize all Offices at 458	Adjustment by Office
0001	FIRST BASIC BELGRADE	45	40825	907	48	3	15503	345	34	-11
0002	SECOND BASIC BELGRADE	23	31332	1362	37	14	8639	376	19	-4
0003	BOR	4	3131	783	4	0	2163	541	5	1
0004	VALJEVO	11	7898	718	9	-2	6722	611	15	4
0005	VRANJE	10	8083	808	10	0	4483	448	10	0
0006	VRŠAC	7	2827	404	3	-4	2362	337	5	-2
0007	ZAJEČAR	9	4975	553	6	-3	3181	353	7	-2
0008	ZRENJANIN	5	6915	1383	8	3	4560	912	10	5
0009	Jagodina	7	3746	535	4	-3	2319	331	5	-2
0010	KIKINDA	4	3528	882	4	0	2309	577	5	1
0011	KOSOVSKA MITROVICA		0		0	0			0	0
0012	KRAGUJEVAC	16	7826	489	9	-7	4406	275	10	-6
0013	KRALJEVO	9	5889	654	7	-2	3508	390	8	-1
0014	KRUŠEVAC	7	4990	713	6	-1	3614	516	8	1
0015	LESKOVAC	9	7975	886	9	0	6456	717	14	5
0016	LOZNICA	7	3675	525	4	-3	2342	335	5	-2
0017	NEGOTIN	5	2763	553	3	-2	2247	449	5	0
0018	NIS	19	18287	962	22	3	11321	596	25	6
0019	NOVI PAZAR	7	5468	781	6	-1	2823	403	6	-1
0020	NOVI SAD	26	22157	852	26	0	12534	482	27	1
0021	PANČEVO	8	6021	753	7	-1	4489	561	10	2
0022	PARAČIN	6	1238	206	1	-5	626	104	1	-5
0023	PIROT	4	3852	963	5	1	2667	667	6	2
0024	POŽAREVAC	7	7393	1056	9	2	2852	407	6	-1
0025	POŽEGA	4	3132	783	4	0	2838	710	6	2
0026	PRIJEPOLJE	5	2149	430	3	-2	1982	396	4	-1
0027	PROKUPLJE	4	4710	1178	6	2	2534	634	6	2
0028	SMEDEREVO	7	7892	1127	9	2	4518	645	10	3
0029	SOMBOR	7	3902	557	5	-2	2438	348	5	-2
0030	Sremska Mitrovica	7	4966	709	6	-1	2995	428	7	0
0031	SUBOTICA	8	5699	712	7	-1	3208	401	7	-1
0032	UŽICE	6	3276	546	4	-2	2677	446	6	0
0033	ČAČAK	10	5912	591	7	-3	4728	473	10	0
0034	Sabac	9	8318	924	10	1	4117	457	9	0
0035	THIRD BASIC BELGRADE	21	23141	1102	27	6	7072	337	15	-6
0036	OBRENOVAC	5	3710	742	4	-1	1308	262	3	-2
0037	MLADENOVAC	5	5020	1004	6	1	1986	397	4	-1
0038	LAZAREVAC	4	2728	682	3	-1	1472	368	3	-1
0039	MIONICA	2	1533	767	2	0	1136	568	2	0
0040	UB	2	3301	1651	4	2	2635	1318	6	4
0041	Vladicin Han	3	2020	673	2	-1	1107	369	2	-1
0042	ARANĐELOVAC	3	1899	633	2	-1	896	299	2	-1
0043	RAŠKA	1	927	927	1	0	882	882	2	1
0044	TRSTENIK	2	1444	722	2	0	1196	598	3	1
0045	Brus	0	1253			0	1040		2	2
0046	LEBANE	1	2287	2287	3	2	1484	1484	3	2
0047	Aleksinac	3	3847	1282	5	2	1841	614	4	1
0048	BEČEJ	2	2326	1163	3	1	1228	614	3	1
0049	Vrbas	4	4172	1043	5	1	1614	404	4	0
0050	Backa Palanka	2	1906	953	2	0	2247	1124	5	3
0051	DESPOTOVAC	3	2269	756	3	0	650	217	1	-2
0052	Veliko Gradiste	1	1602	1602	2	1	1475	1475	3	2
0053	Petrovac na Mlavi	1	1799	1799	2	1	1145	1145	3	2
0054	KURŠUMLIJA	2	1286	643	2	0	918	459	2	0
0055	VELIKA PLANA	4	4636	1159	5	1	1400	350	3	-1
0056	RUMA	3	4155	1385	5	2	1322	441	3	0
0057	Stara Pazova	5	4699	940	6	1	1384	277	3	-2
0058	SENTA	3	3317	1106	4	1	2485	828	5	2
0059	Gornji Milanovac	1	1612	1612	2	1	1395	1395	3	2
TOTAL		405	347,639.00	858			185,479	458	405	0

Column 1 is the number of staff by office according to the systemization plan approved by the MOF. Column 2 shows the total number of cases to be resolved by office. The total number of cases to be resolved in 2015 was 374,639. The total number of cases 347,639 divided by the 405 positions available averages 858 per position. Column 3 shows the average number of cases per position by office. There is a significant variance in the average number of cases to be resolved by the number of positions assigned to each office. Column 4 shows the number of positions required by office if all offices were equalized to process the average of 858 cases. Column 5 shows 23 offices would need increases in positions, 22 would lose positions and 12 would stay the same if the workload was distributed evenly across all offices.

Column 6 shows the total number of cases resolved in 2015. Column 7 computes the average number of cases resolved by office. The 186,479 cases resolved divided by the 405 positions averages 458 for all offices. Column 8 shows the number of positions required by office if all offices were equalized to process the average of 458 cases. Column 9 shows 25 offices would need increases in positions, 23 would lose positions and 12 would remain the same if the workload was distributed evenly across all offices.

Table 13
Average Number of Cases Assigned per Basic Public Prosecutors in Fiscal Year 2015
List High to Low by Office

Name of Institution	Average Number of Cases Assigned per Prosecutor
Lebane	2287
Aleksinac	1924
Petrovac na Mlavi	1799
Ub	1651
Gornji Milanovac	1612
Veliko Gradiste	1602
Prokuplje	1570
II Basic Belgrade	1567
III Basic Belgrade	1543
Ruma	1385
Zrenjanjin	1383
Kursumlija	1286
Becej	1163
Velika Plana	1159
Smederevo	1127
Senta	1106
I Basic Belgrade	1074
Pozarevac	1056
Bor	1044
Vrbas	1043
Vladicin Han	1010

Mladenovac	1004
Pirot	963
Nis	962
Backa Palanka	953
Stara Pazova	940
Raska	927
Sabac	924
Vranje	898
Leskovac	886
Kikinda	882
Novi Sad	852
Pozega	783
Novi Pazar	781
Mionica	767
Despotovac	756
Pancevo	753
Obrenovac	742
Trstenik	722
Valjevo	718
Krusevac	713
Subotica	712
Sremska Mitrovica	709
Negotin	691
Lazarevac	682
Kraljevo	654
Arandjelovac	633
Zajecar	622
Čacak	591
Sombor	557
Uzice	546
Jagodina	535
Loznica	525
Kragujevac	489
Prijepolje	430
Vrsac	404
Paracin	206
Kosovska Mitrovica	0
Brus	0

Table 14
Average Number of Cases Resolved per Basic Public Prosecutor in Fiscal Year 2015
List High to Low by Office

Name of Institution	Average Number of Cases Resolved per Prosecutor
Lebane	1484
Veliko Gradiste	1475
Gornji Milanovac	1395
Ub	1318
Petrovac na Mlavi	1145
Backa Palanka	1124
Aleksinac	921
Kursumlija	918
Zrenjanin	912
Raska	882
Prokuplje	845
Senta	828
Bor	721
Leskovac	717
Pozega	710
Pirot	667
Smederevo	645
Becej	614
Valjevo	611
Trstenik	598
Nis	596
Kikinda	577
Mionica	568
Negotin	562
Pancevo	561
Vladicin Han	554
Krusevac	516
Vranje	498
Novi Sad	482
Čacak	473
III Basic Belgrade	471
Average	470
Sabac	457
Uzice	446
Ruma	441

II Basic Belgrade	432
Sremska Mitrovica	428
I Basic Belgrade	408
Pozarevac	407
Vrbas	404
Novi Pazar	403
Subotica	401
Zajecar	398
Mladenovac	397
Prijepolje	396
Kraljevo	390
Lazarevac	368
Velika Plana	350
Sombor	348
Vrsac	337
Loznica	335
Jagodina	331
Arandjelovac	299
Stara Pazova	277
Kragujevac	275
Obrenovac	262
Despotovac	217
Paracin	104
Kosovska Mitrovica	0
Brus	0

16. Backlog Reduction in the Basic Public Prosecutor Offices

Unresolved at Beginning of Year	New Cases Received	Total Cases for Resolution	Cases Resolved	Unresolved at EOY
137,515	210,124	347,639	185,479	163,125

At the start of 2015, there were 137,515 unresolved cases. The unresolved cases at year end increased by 25,610. In order to reduce the 163,125 unresolved cases to zero over a three-year period, it would require an additional 118 positions. This was computed by dividing 163,126 by 3 and assuming an average of 458 cases resolved per position. Once the 118 deputies are no longer needed, they become a financial burden on the system. Deputy prosecutors are appointed for life.

As mentioned above, another approach to backlog reduction would be to institute a program to redeploy a portion of the 23 positions located in overstaffed offices. It would take longer than three years to eliminate the backlog by redeploying the 23 overstaffed positions. The SPC may want to consider developing incentives for temporary relocation of deputy prosecutors to resolve the backlog issue. There may be other alternatives to adding more deputy prosecutors. Possible alternatives would be to bring back retired prosecutors or employing temporary lawyers as deputy prosecutor assistants to prepare the cases for final resolution by permanent deputy prosecutors.

17. Next Steps – Implementing Recommendations

Recommendation 1: For the development of the 2017 financial plans, the Budget Group should prepare a table listing all economic classification line items with the appropriate projection methodologies to be used to calculate the financial plan requirements. All PPOs will be required to use this methodology.

Recommendation 2: If it is determined that it is too late to initiate the above planning tool for the 2017 planning cycle, the Budget Group should work on automating the financial planning process. The Budget Group should enlist the services of an expert to automate the financial planning process. The expert should create a spreadsheet with embedded formulas for each economic classification. The users would only be required to enter the appropriate expenditure amount for each economic classification and the embedded formulas would calculate the planning amount.

- Prepare a table listing the Chart of Accounts line items and the budget projection methodology for each line item presented as presented in the Administrative Office document “PROCEDURE FOR THE PREPARATION OF FINANCIAL PLANS. ” (AO budget staff – short term)
- Send an email to all PPOs with the above table attached requesting a response from an in-house individual that possess the Microsoft excel skills to input the formulas to automate the process. (AO and PPOs – short term)
- If no in-house individual is identified, contact the local universities for a student that can develop the formulas. (AO and local University – short term)
- Send the excel spreadsheet with the formulas to the PPOs for their use in preparing the information required in the next budget formulation cycle. AC, SPC for approval
- Budget for the cost of the BPMIS license and contact the Judicial Training Academy requesting training on the use of the BPMIS for the financial staff of the PPOs and Budget Group. (AO, SPC, PPOs, JTA, and MOF – medium term)

Recommendation 3: The SPC should compare the cost of settling a random sample of “forced collections” to the cost of paying the litigant in a timely manner. The results of the sample should be applied to an estimated number of “forced collection” expected in fiscal year 2016. The estimated saving could be used to justify additional funds from the MOF to eliminate the source of the arrears.

- Identify the payment amount for five randomly selected forced collects in the first half of fiscal year 2016 and the estimated court costs to process the claim. (AO Budget Staff and PPOs financial staff and HJC budget staff – short term)
- Compare the above amount to the initial invoice submitted for payment to determine the difference in each case. Compute the average of the five cases. (AO Budget Staff and PPOs – short term)
- Estimate the number of forced collections to be processed in fiscal year 2016 and multiply the estimated number by the above average to determine the potential annual saving if the invoices were paid in a timely manner. (AO Budget Staff and the MOF – medium term)

Recommendation 4: The President of the SPC should appoint a working group composed of individuals representing the SPC, PPOs, MOJ and MOF to study the issue of under and overstaffed offices and prepare alternatives to resolve the issue.

- The Secretary of the Administrative Office presents the extent of the unequal distribution of workload among the PPOs. (AO and President of the SPC – short term)
- In consultation with the MOJ and MOF, the President of the SPC appoints a working group to study the staffing distribution issue. (SPC members, PPOs, MOJ and MPF – short to medium term)
- The Secretary of the Administrative Office sends a letter to the working group with Tables 7 and 10 from the report attached that identifies the extent of the disparity in staffing among the Higher and Basic Public Prosecutor Offices. (AO, members of the working group – short to medium term)
- The President of the SPC meets with the working group. (President of SPC and members of the working group – short to medium term)

Recommendation 5: As soon as the Case Weighting Rulebook is adopted by the SPC, the SPC should appoint a working group to guide the implementation and use of the Rulebook. In addition, the working group should contact the Judicial Training Academy requesting the design of a training program to elevate the performance of under-performing Public Prosecutors. The Academy should also consider instituting a mentoring program to supplement the formal training program.

- The President of the SPC appoints a working group to guide the implementation of the Case Weighting Rulebook. (Members of the SPC, PPOs, JTA, and MOF – Medium term)
- The President circulates the Case Weighting Rulebook for comment. (SPC members and PPOs – short term)
- The working group evaluates the comments and modifies the Case Weighting Rulebook and forwards the draft Case Weighting Rulebook to the SPC. (SPC, JTA, and MOF – medium term)
- The Case Weighting Rulebook is used to allocate staffing and performance evaluation. (SPC, AO, PPOs, JTA and the MOF. (medium to long term)
- The JTA develops a training course on the Case Weighting Rulebook. (JTA and SPC – medium to long term)
- The JTA develops a training program to elevate the performance of Deputy Public Prosecutors and establishes a mentoring program. (JTA, SPC, Public Prosecutors and MOF)

Recommendation 6: The Administrative Office Budget Group should request an automated copy of the payroll records by individuals assigned to the PPOs. In addition, the Administrative office should prepare a table comparing the MOJ payroll records with the payroll information provided by the PPOs to determine if there are any inconsistencies that require resolution before the transfer.

- AO budget staff requests the payroll report from the MOJ. (AO budget group and MOJ – short term)

- The AO budget group prepares a table documenting the payroll reported by the PPOs by individual to the reported information from the MOF,
- The AO budget group identify inconsistencies and resolve them with the MOJ. (AO budget group and the MOJ – short term)

Recommendation 7: Based on the positive experience in the Belgrade Higher Public Prosecutor Office with centralizing financial support services, the SPC should consider centralizing financial support services in other locations housing multiple PPOs.

- The AO budget group identifies those locations housing more than one PPO. (AO budget group – short term)
- The AO budget group surveys the Public Prosecutors in those locations to determine if they have centralized financial support services and is there any interest to do so. (AO budget group and multiple PPOs house in one location – short term)
- Prepares a report documenting the results of the survey and recommends to the SPC the consolidation of financial support service where the Public Prosecutors are in agreement. (AO, SPC, and PPOs – short term)

Recommendation 8: The AO Budget Group should ask the financial staff from the Belgrade Higher Public Prosecutor to document the procedures they employ in auditing their attorney and expert invoices. The procedures should be circulated to all PPOs for their use in auditing the invoices they receive. To determine the effectiveness of the system-wide auditing program of attorney and expert invoices, the Budget Group should design a report to collect the annual system-wide saving achieved.

- Contact the financial staff of the Belgrade Higher Public Prosecutor office requesting they document the procedure they use in auditing the Invoices. (AO budget group and financial staff from the Belgrade Higher Public Prosecutor office, - short term)
- Review the procedures and send them to PPOs for implementation. (AO budget group and PPOs – short term)
- Institute a quarterly report from the PPOs listing the name of the individual submitting the invoice, the amount of the original invoice and the amount approved by the PPO financial staff for payment. (AO budget group and PPOs – short term)
- A quarterly consolidated report is prepared documents the amount of savings achieved and the report is shared with the SPC. (AO budget group, SPC and financial staff of the reporting PPOs – short to medium term)
- Follow up with those offices that did not report any invoice reductions to determine if the procedures are not being employed or the office may need training support. (AO budget group and PPOs – short term)

Recommendation 9: In order to estimate the annual potential savings by implementing sentencing guidelines, the SPC should analyze the cost of trying a sampling (5 to 10 cases) of serious violation case compared to the cost of resolving the cases through a plea bargain. The average difference or saving between a trial and plea bargain can then be applied to an estimated number of serious violation cases

that would plead out rather than going to trial in a fiscal year. The calculated potential saving can be used to support legislation implementing sentencing guidelines in the courts.

- Randomly select 5 to 10 serious violation cases for analysis. (AO budget group with the assistance of a deputy prosecutor familiar with trying serious violation cases – medium term)
- Prepare a report totaling the cost of each case to include: the length of the trial, the daily cost of a trial, the cost of court-appointed attorneys and experts. (AO budget group and the deputy prosecutor mentioned above-medium term)
- Assuming the same cases were settled via a plea bargain, determine the cost associated with the plea to include: length of the court hearing, the cost of the hearing, the daily rate of court-appointed attorneys and the number of days of representation. (AO budget group and the deputy prosecutor mentioned above -medium term)
- Survey the PPOs to collect the number of serious violation cases that went to trial and the number that accepted a plea bargain in the first six months of fiscal year 2016. (AO budget and the PPOs – medium term)
- If it is realistic to assume 50% of the cases that went to trial would accept a plea bargain, the estimated annual savings can be calculated in the following manner: 1) double the number of cases based on the 50% assumption to take into account the remaining six months of the year 2) multiply the number of cases by the average saving determined above. The result of the calculation would be the estimated annual saving by implementing sentencing guidelines. (AO budget group and SPC)

Attachment 1: Data Collection Meeting Schedule

Monday 25-Jul-16	Sessions & Meetings	Attendees	Place
9:00 - 10:30	Internal meeting	Joe, Srdjan, Marina	WB office
11:00-13:00	State Prosecutorial Council	Joe,	Resavska 42
	Mr. Tomo Zorić, General Secretary of the Administrative Office at State Prosecutorial Council	Srdjan or Marina	
	Mr. Goran Ilić, President, Association of Prosecutors		
	Ms. Svetlana Nenadić, Deputy Public Prosecutor and SPC member		
	Ms. Svetlana Nenadić, Deputy Public Prosecutor and SPC member		
13:00	High Judicial Council	Joe,	Resavska 42
	Ms. Branka Tomasevic, Assistant Secretary	Srdjan or Marina	
	Interpreter: Marija Mitrovic, Mobile: 064 2383 180		
Tuesday 26-Jul-16	Sessions & Meetings	Attendees	Place
9:00	Ms. Svetlana Nenadić, Deputy Public Prosecutor and SPC member	Joe, Srdjan, Marina	Resavska 42
When mtg with Svetlana ends	Group for Finance and Accounting	Joe, Srdjan, Marina	Resavska 42
	Group Budget Planning and Execution Public Prosecutors		
Wednesday 27-Jul-16	Sessions & Meetings	Attendees	Place
9:00	Ms. Marijana Santrač, Senior Adviser for International Cooperation and Projects, SPC, PPO	Joe, Marina	Nemanjina 22-26
	Mr. Branko Stamenković, Head of the Special Prosecution Office for High Tech Crime		
	Interpreter: Marija Mitrovic, Mobile: 064 2383 180		
12:00	Visit to Higher Public Prosecutor's Office	Joe, Marina	Savska 17A
	Interpreter: Marija Mitrovic, Mobile: 064 2383 180		
When mtg with HPPO ends	Visit to 3 rd Basic Public Prosecutor's Office	Joe, Marina	Savska 17A
	Interpreter: Marija Mitrovic, Mobile: 064 2383 180		
Thursday 28-Jul-16	Sessions & Meetings	Attendees	Place
TBD	Follow up mtgs (if needed)		
Friday 29-Jul-16	Sessions & Meetings	Attendees	Place
9:00	Wrap up meeting	Joe, Srdjan or Marina	Resavska 42
	State Prosecutorial Council		
	Ms. Svetlana Nenadić, Deputy Public Prosecutor and SPC member		
	Group for Finance and Accounting		
	Group Budget Planning and Execution Public Prosecutors		
	Interpreter: Marija Mitrovic, Mobile: 064 2383 180		
Following 9:00 Meeting	Internal Wrap up meeting	Joe, Srdjan, Marina	WB office

Draft for discussion

Attachment 2: List of Economic Classifications

400000	TEKUĆI RASHODI (5172+5194+5239+5254+5278+5291+5307+5322)	CURRENT EXPENDITURES (5172+5194+5239+5254+5278+5291+5307+5322)
411000	PLATE, DODACI I NAKNADE ZAPOSLENIH (ZARADE) (5174)	EMPLOYEE SALARIES, ALLOWANCE, AND REIMBURSEMENTS(5174)
411100	Plate, dodaci i naknade zaposlenih	Salaries, allowance, and reimbursements
412000	SOCIJALNI DOPRINOSI NA TERET POSLODAVCA (од 5176 до 5178)	CONTRIBUTIONS INCURRED BY EMPLOYER (from 5176 to 5178)
412100	Doprinosi za penzijsko i invalidsko osiguranje	Pension and disability insurance
412200	Doprinosi za zdravstveno osiguranje	Medical insurance
412300	Doprinosi za nezaposlenost	Unemployment
413000	NAKNADE U NATURI (5180)	REIMBURSEMENTS IN-KIND (5180)
413100	Naknade u naturi	Reimbursements in-kind
414000	SOCIJALNA DAVANJA ZAPOSLENIMA (from 5182 to 5185)	SOCIAL BENEFITS FOR EMPLOYEES (from 5182 to 5185)
414100	Isplata naknada za vreme odsustvovanja s posla na teret fondova	Payment of salary during absence from work, from Funds
414200	Расходи за образовање деце запослених	Expenditures for education of employees' children
414300	Otpremnine i pomoći	Severance pay, and aid
414400	Pomoć u medicinskom lečenju zaposlenog ili članova uže porodice i druge pomoći zaposlenom	Aid with medical 37ateral37 of employees and members of their immediate families; other aid
415000	NAKNADE TROŠKOVA ZA ZAPOSLENE (5187)	REIMBURSEMENT OF EXPENDITURES FOR EMPLOYEES (5187)
415100	Naknade troškova za zaposlene	Reimbursement of expenditures for employees
416000	NAGRADE ZAPOSLENIMA I OSTALI POSEBNI RASHODI (5189)	PREMIUMS FOR EMPLOYEES AND OTHER SPECIAL EXPENDITURES (5189)
416100	Nagrade zaposlenima i ostali posebni rashodi	Premiums for employees and other special expenditures
418000	SUDIJSKI DODATAK (5193)	JUDGES' ALLOWANCE (5193)
418100	Sudijski dodatak	Judges' allowance
420000	KORIŠĆENJE USLUGA I ROBA (5195+5203+5209+5218+5226+5229)	USE OF SERVICES AND GOODS (5195+5203+5209+5218+5226+5229)
421000	STALNI TROŠKOVI (od 5196 do 5202)	FIXED EXPENSES (from 5196 to 5202)
421100	Troškovi platnog prometa i bankarskih usluga	Financial transactions and banking services
421200	Energetske usluge	Electricity
421300	Komunalne usluge	Communal services
421400	Usluge komunikacija	Communication services

421500	Troškovi osiguranja	Insurance
421600	Zakup imovine i opreme	Leasing of property and equipment
421900	Ostali troškovi	Other expenses
422000	TROŠKOVI PUTOVANJA (from 5204 to 5208)	TRAVEL EXPENSES (from 5204 to 5208)
422100	Troškovi službenih putovanja u zemlji	Official travel within the country
422200	Troškovi službenih putovanja u inostranstvo	Official travel abroad
422300	Troškovi putovanja u okviru redovnog rada	Travel within the regular scope of work
422900	Ostali troškovi transporta	Other transportation expenses
423000	USLUGE PO UGOVORU (from 5210 to 5217)	CONTRACTUAL SERVICES (from 5210 to 5217)
423100	Administrativne usluge	Administrative services
423200	Kompjuterske usluge	Computer services
423300	Usluge obrazovanja i usavršavanja zaposlenih	Education and professional improvement of employees
423400	Usluge informisanja	Information services
423500	Stručne usluge	Professional services
423600	Usluge za domaćinstvo i ugostiteljstvo	Hospitality services
423700	Reprezentacija	Representation
423900	Ostale opšte usluge	Other general services
425000	TEKUĆE POPRAVKE I ODRŽAVANJE (5227+5228)	CURRENT REPAIRS AND MAINTENANCE (5227+5228)
425100	Tekuće popravke i održavanje zgrada i objekata	Current repairs and maintenance of buildings and facilities
425200	Tekuće popravke i održavanje opreme	Current repairs and maintenance of equipment
426000	MATERIJAL (from 5230 to 5238)	MATERIAL (from 5230 to 5238)
426100	Administrativni materijal	Administrative material
426300	Materijali za obrazovanje i usavršavanje zaposlenih	Material for education and professional improvement of employees
426400	Materijali za saobraćaj [gas?]	Material for traffic [gas?]
426800	Materijali za održavanje higijene i ugostiteljstvo	Material for maintenance of hygiene; refreshments
426900	Materijali za posebne namene	Material for special purposes
482000	POREZI, OBAVEZNE TAKSE I NAKNADE	TAXES, MANDATORY FEES, AND FINES
482100	Ostali porezi	Other taxes
482200	Obavezne takse	Mandatory fees
48900	РАСХОДИ КОЈИ СЕ ФИНАНСИРАЈУ ИЗ СРЕДСТАВА ЗА РЕАЛИЗАЦИЈУ НАЦИОНАЛНОГ ИНВЕСТИЦИОНОГ ПЛАНА (5338)	EXPENDITURES FINANCED FROM FUNDS FOR THE REALIZATION OF THE NATIONAL INVESTMENT PLAN (5338)
511000	ZGRADE I GRAĐEVINSKI OBJEKTI	BUILDINGS AND FACILITIES
511100	Kupovina zgrada i objekata	Purchasing of buildings and facilities
511200	Izgradnja zgrada i objekata	Construction of buildings and facilities
511300	Kapitalno održavanje zgrada i objekata	Capital maintenance of buildings and facilities

511400	Projektno planiranje	Project planning
512000	MAŠINE I OPREMA (from 5347 to 5355)	MACHINERY AND EQUIPMENT (from 5347 to 5355)
512100	Oprema za saobraćaj	Equipment for traffic (vehicles)
512200	Administrativna oprema	Administrative equipment

Attachment 3: Financial Planning Procedures

PROCEDURE FOR THE PREPARATION OF FINANCIAL PLANS OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR'S OFFICES

Budget Calendar

Article 1

The process of preparation and adoption of the budget and financial plan of the SPC as a direct budget beneficiary and the budget and financial plans of public prosecutor's offices is executed according to the budget calendar, as follows:

1. Internally, the time limits that apply to entities within the justice system;
2. Externally, the time limits prescribed by the ministry responsible for finance.

Article 2

The Group for Budget Planning and Execution of Budgets of Public Prosecutor's Offices in the Administrative Office of the State Prosecutorial Council prepares the Calendar of Preparation and the Calendar of Execution of the Budgets of the SPC and the PPOs.

Article 3

The budget preparation process of the SPC and the public prosecutor's offices begins with the reception of the "Instructions for proposals of priority areas for financing" and the "Guidelines for the preparation of financial plans", prepared and submitted by the Ministry of Finance.

The SPC and the public prosecutor's offices that have the status of direct budget beneficiaries (Republic Public Prosecutor's Office, Office of the Prosecutor for Organized Crime and Office of the War Crime Prosecutor) receive the above mentioned documents from the Ministry of Finance, while the public prosecutor's offices with the status of indirect budget beneficiaries of the Republic receive these instructions from the SPC.

Article 4

The SPC, i.e. the Group for Budget Planning and Execution of Budgets of Public Prosecutor's Offices in the Administrative Office of the State Prosecutorial Council is authorized to supplement the Instructions and Guidelines referred to in Article 3 in accordance with the specific characteristics of the public prosecutorial system in order to clarify the instructions received with respect to the set parameters.

Upon the reception of instructions and any supplements thereof, the SPC is required to forward the Instructions and the Guidelines to the indirect budget beneficiaries within 8 days.

Evaluation and Explanation of Budget Requests

Article 5

In order to prepare the proposal of the financial plan of the State Prosecutorial Council, the Group for Budget Planning and Execution performs the following tasks:

5. Analyzes the reports from current and previous years on obligations and expenditures;
6. Calculates salaries of the SPC staff;

7. Anticipates the changes in the functioning of the SPC that may influence the increase in running costs, estimates effects of all external factors that may affect the costs, such as increase of prices, etc.
8. Takes into account the strategies that are related to the functioning of public prosecutor's offices.

In order to prepare draft financial plans of public prosecutor's offices, the Group for Budget Planning and Execution performs the following tasks:

9. Analyzes the reports from current and previous years related to obligations and expenditures of public prosecutor's offices;
10. Calculates salaries of staff working in public prosecutor's offices, the salaries of public prosecutors, deputy prosecutors and staff working in public prosecutor's offices;
11. Anticipates the changes in the functioning of public prosecutor's offices that may affect the increase in running costs, estimates the effects of external factors that may affect the costs, such as the increase of prices, increase of expenditures for fixed costs and costs of current repairs of buildings and structures;
12. Takes into account the strategies that are related to the functioning of public prosecutor's offices;
13. Perceives the needs of public prosecutor's offices related to the replacement of equipment, furniture or installations, or whether there is a need for works related to the maintenance and refurbishment of buildings;
14. Other.

Internal Analysis of the Proposed Financial Plans of Public Prosecutor's Offices

Article 6

Internal analysis of the proposed financial plans of public prosecutor's offices, overview of the needs for financing on the basis of textual explanations of every public prosecutor's office.

Internal analysis of the proposed financial plans shall include:

15. Primary analysis of the submitted proposed financial plans by the public prosecutor's offices with textual explanations;
16. Supplementary analysis of additional information by the public prosecutor's offices;
17. Final consolidation of the submitted proposed financial plans;
18. Supplementary analysis of additional plans by the public prosecutor's offices.

The Methodology of Requests for the Necessary Funds

Article 7

19. Professional services of the SPC and public prosecutor's offices can use different methodologies for the assessment of necessary funds in their proposed financial plans, such as:
20. 1- Methodology of actual costs;
21. 2- Methodology of average costs plus inflation;
22. 3- Methodology of linear projections.

Methodology of Actual Costs

Article 8

The methodology of actual costs determines the actual costs of each individual service or goods and the amount of salaries for the next fiscal year. This methodology is used when projecting the following costs:

23. Salaries and contributions for public prosecutors, deputy public prosecutors and other employees of the public prosecutor's offices, including the increase of salaries in line with the indexation created by the Ministry of Finance;
24. Durable goods for which the procurement is not repeated, the duration of which is provided for a longer period (furniture, equipment, passenger vehicles, procurement of unique products, etc.);
25. Fixed-term contracts for services and engagement.

Article 9

The methodology of average costs plus inflation is applied in the assessment of items related to the cost of regular functioning of bodies. These are relatively low unit prices and can be obtained simply by calculating average costs (costs of office supplies, maintenance and repairing of equipment, regular travel costs for employees).

This methodology includes the calculation of the total costs for these purposes by economic classifications. These calculated amounts are reduced by extraordinary expenses incurred during the year, and the expected inflation for the next year is added to the sum. This way it is possible to calculate the projected necessary resources for each economic classification for the fiscal year for which the proposed financial plan is prepared.

Article 10

If it is determined that there is an increase or decrease in the number of cases taken or the number of employees compared to the previous budget year, the rate of expenditures of the current budget year projected till the end of the fiscal year shall be applied. In order to project expenditures till the end of the fiscal year, the following steps should be taken:

1. Revise the sum of the costs generated in the current year to the date of the revision for each economic classification, and subtract all extraordinary costs from that amount;
2. Calculate the monthly average expenditure by dividing the total amount of expenditure by economic classification with the number of months that have passed since the beginning of the fiscal year;
3. Multiply the monthly average by 12 in order to get the projection of expenditures for the current fiscal year;
4. Previously calculated amount should be increased by the inflation factor determined within the instructions for financial planning.

Article 11

The methodology of linear projection is applied in the assessment of certain economic classifications, the rate of liabilities and expenditures that are approximately the same every month during the fiscal year (landline bills, photocopying costs, etc.). The procedure for the application of this methodology is that the amount of the monthly costs is multiplied by 12 and then the inflation factor is added. When applying this methodology, it is necessary to check whether there will be changes in prices of these goods and services from suppliers in the next fiscal year.

Preparation of the Explanations for the Proposed Financial Plans

Article 12

The preparation of the financial plans includes a textual explanation of the requests for financing of future activities. The textual explanation of the proposed financial plan is a concise description of how the financing will affect the work of the public prosecutor's offices.

When writing these explanations, one should bear in mind the following factors:

26. The number of public prosecutors and other staff that will be affected by the request for funding;
27. Problems in the functioning which would incur if the funding request was rejected;
28. The effect on case management;
29. Quality of services provided to court users and citizens;
30. The effect of the implementation of law amendments.

Systems for Budget Preparation

Article 13

The SPC and the public prosecutor's offices use the Budget Planning and Management Information System (BPMIS) when preparing and submitting the proposals of their financial plans.

Article 14

The SPC submits the instructions for the preparation of proposed financial plans in writing and electronically to the public prosecutor's offices in the status of indirect budget beneficiaries.

When the public prosecutor's offices, Basic Public Prosecutor's Offices, Higher Public Prosecutor's Offices and Appellate Public Prosecutor's Offices fill in the forms of financial plans they send them back to the SPC by mail and electronically. The State Prosecutorial Council consolidates the received financial plans of public prosecutor's offices.

Instructions and Guidelines for the Preparation of Financial Plans

Article 15

Upon the adoption of the Fiscal Strategy, the Ministry of Finance shall submit to the SPC the instructions and guidelines for the preparation of financial plans.

The SPC forwards the guidelines and instructions within 8 days of their receipt to those public prosecutor's offices with the status of indirect budget beneficiaries.

The deadline for submission of the proposals for mid-term and financial plans for the following fiscal year for the SPC and public prosecutor's offices, direct budget beneficiaries is determined by the law governing the budget system.

According to the internal budget calendar, in accordance with Article 1 item 1, the public prosecutor's offices with the status of indirect budget beneficiaries submit their financial plans to the SPC.

Harmonization and Approval of the Proposed Financial Plan

Article 16

The Group for Budget Planning and Execution submits to the president of the SPC for review and approval the report on the proposed financial plan of the SPC as well as the report on the proposed financial plans for public prosecutor's offices.

Approved and signed proposed financial plans are submitted to the Ministry of finance in line with the instructions referred to in Article 3.

National Investment Plan

Article 17

In accordance with the law governing the budget system, the minister responsible for finance shall submit, by February 15, the Instructions for the proposal of priority areas for financing, which shall include financial plans for investments for the budget year and the subsequent two years.

Upon the receipt of the Instructions referred to in paragraph 1, the SPC, in line with the internal procedures, shall define their own priorities and organize the collection of proposals for investments from the public prosecutor's offices.

The SPC shall submit to the ministry responsible for finance the proposals for determining the priority areas for financing for the current budget year and the subsequent two years until March 15 of the current year.

Article 18

Within the procedure referred to in Article 17 paragraph 2, the Group for Budget Planning and Execution shall perform the following tasks within the deadlines defined in the internal calendar:

- (1) Evaluate the needs of public prosecutor's offices;
- (2) Prepare and send to the president of the SPC for review the formal written proposal with all the relevant information;
- (3) After the adoption of the proposal by the president of the SPC, the Sector for Material and Financial Affairs shall prepare the proposal of priorities of the SPC and public prosecutor's offices.

President of
The State Prosecutorial Council

Zagorka Dolovac

PROCEDURE FOR THE PREPARATION OF FINANCIAL PLANS OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR'S OFFICES

No.	DEADLINES	ACTIVITY	STAKEHOLDERS
PREPARATION OF PROPOSALS OF PRIORITY AREAS OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR'S OFFICES			
1.		Reception of Instructions for the proposal of priority areas for financing for budget beneficiaries	- Ministry of Finance - Group for Budget - PPOs

2.		Analysis of the proposed priority areas of the SPC and public prosecutor's offices	<ul style="list-style-type: none"> - Group for Budget - President of the SPC, members of the SPC authorized by the president of the SPC - Financial Sectors in public prosecutor's offices
3.		Cost assessment of identified costs	- Group for Budget
4.		Preparation of the draft priority areas	- Group for Budget
5.		Presentation of the draft proposed priorities of the SPC	<ul style="list-style-type: none"> - Group for Budget - President of the SPC - Other officials of the SPC
6.		Submitting the Proposal for determining the priority areas for financing for the budget year and the subsequent two years to the ministry responsible for finance	- Group for Budget
ANALYSIS OF THE EXECUTION OF BUDGETS OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR'S OFFICES			
1.		Collecting financial reports on liabilities and expenditures of the SPC and public prosecutor's offices with the described explanations	- Group for Budget
2.		Processing and analysis of the financial reports on liabilities and expenditures of the SPC and public prosecutor's offices	- Group for Budget
3.		Presentation of results of the analysis of the financial reports on liabilities and expenditures of the SPC and public prosecutor's offices	<ul style="list-style-type: none"> - Group for Budget - President of the SPC - Other officials of the SPC
PREPARATION OF FINANCIAL PLANS OF THE STATE PROSECUTORIAL COUNCIL AND PUBLIC PROSECUTOR'S OFFICES			
1.		Reception of Instructions for preparation of financial plans from the ministry responsible for finance	<ul style="list-style-type: none"> - Ministry responsible for finance - Group for Budget
2.		<ul style="list-style-type: none"> - Preparation of Instructions for the preparation of financial plans for public prosecutor's offices - Preparation of the Report on the profile of PPOs (<i>Court Profile Data Base</i>) 	- Group for Budget
3.		<ul style="list-style-type: none"> - Sending the Instructions for the preparation of financial plans to public prosecutor's offices - Electronic reception of the Fact Sheet on the Status of Financial Resources 	<ul style="list-style-type: none"> - Group for Budget - Financial Departments in PPOs

4.		<ul style="list-style-type: none"> - Preparation of the proposed financial plan of the SPC - Preparation of the proposed financial plans of public prosecutor's offices 	<ul style="list-style-type: none"> - Group for Budget - Financial Departments in public prosecutor's offices
5.		<ul style="list-style-type: none"> - Analysis of the proposed financial plans of public prosecutor's offices - Consolidation of the proposed financial plans of public prosecutor's offices 	<ul style="list-style-type: none"> - Group for Budget
6.		<ul style="list-style-type: none"> - Presentation of proposals of financial plans of the SPC and public prosecutor's offices 	<ul style="list-style-type: none"> - Group for Budget - President of the SPC - Other officials of the SPC
7.		Adoption of the financial plans of public prosecutor's offices	<ul style="list-style-type: none"> - SPC (president of the SPC)
8.		Submission of the proposed financial plans of the SPC and public prosecutor's offices to the ministry responsible for finance	<ul style="list-style-type: none"> - Group for Budget - Ministry responsible for finance