



**Republika e Kosovës**  
**Republika Kosovo/ Republic of Kosovo**  
**Këshilli Prokurorial i Kosovës/ Tužilački Savet Kosova/Kosovo Prosecutorial Council**

Kosovo Prosecutorial Council, pursuant article 4 of the Law no. 03/L-224 on the Kosovo Prosecutorial Council, article 9, paragraph 2 of the Law number 05/L-035 for Amending and Supplementing the Law no. 03/L-224 on Kosovo Prosecutorial Council and the Regulation of the Ministry of Finance with number 02/2013 on the management of non-financial assets in budget organizations, issues:

**ADMINISTRATIVE INSTRUCTION no. 03/2018 ON MANAGEMENT OF NON-FINANCIAL ASSETS OF THE KOSOVO PROSECUTORIAL COUNCIL**

**GENERAL PROVISIONS**

**Article 1**

**Purpose**

Administrative Instruction sets specific rules and procedures within the Kosovo Prosecutorial System for managing non-financial assets. The instruction is intended to ensure effective asset management and accurate data keeping of non-financial assets of the Kosovo Prosecutorial Council and the State Prosecutor.

**Article 2**

**Scope**

This Administrative Instruction will be implemented by the Kosovo Prosecutorial Council and State Prosecutor.

**Article 3**

**Expressions and Definitions**

**KPC-** Kosovo Prosecutorial Council

**Chief Administrative Officer-** General Director of the Council's Secretariat

**Nonfinancial capital assets-** means all tangible and intangible non-financial assets that are purchased, constructed, created and acquired in any other way and that:

- a) They have a term of use longer than one year and are intended to be used continuously;
- b) They have a financial value of 1000€ or more and
- c) The ownership and control of benefits remains with the KPC;

**Non-capital non-financial assets** mean all tangible and intangible non-financial assets, which:

- a) They have term of use of less than one year;
- b) They have a financial value less than 1000€ and
- c) The ownership and control of benefits remains with the KPC;

**Stocks** mean non-financial assets held as reserve or office equipment that is not distributed to personnel for use.

**Warehouse** means the place for disposing of KPC non-financial assets

**Programs for Asset Registration** - The Kosovo Prosecutorial Council have two asset registration programs:

- 1. Module of assets in the Free Balance system /SIMFK;
- 2. The E-wealth program

**Admission / Logistics Officer** mean the officer, who receives the required property in the relevant area of responsibility.

**Warehouse Officer** means the officer, who receives the required property in the warehouse, inventory control and management in their respective area of responsibility.

**Asset Officer** means the officer who does the nonfinancial asset registration and maintenance of the nonfinancial asset registers.

**Regulation of the MoF with number 02/2013** means Regulation on the management of non-financial assets in budget organizations, issued by the Ministry of Finance and it is implemented in all budget organizations.

All the definitions in this Administrative Instruction have the same meaning as defined in the Regulation with number 02/2013 on the management of non-financial assets in budget organizations.

**Article 4**  
**Acceptance of non-financial asset**

1. Receipt of non-financial assets is done through purchase, construction, donations and transfers from other budget organizations.
2. Requests for the supply of assets are made by the contract manager, who must be assigned in advance by decision of the Director of the KPC Secretariat. The contract manager, in advance, from the Procurement Division, must accept the contract with the technical specifications for the economic operator with which the KPC has entered into a valid contract.
3. Receipt of nonfinancial assets in the KPC Secretariat's warehouse must be made on the basis of the respective acceptance note signed by the Receiving / Logistics Officer or the Commission for acceptance of supplies, after verifying the quantity, value and quality, which refer to the conditions of purchase contract.
4. For nonfinancial assets financed by donor projects, handover must be made by authorized persons by prior decision of the Director of the KPC Secretariat, pursuant to the relevant agreement and documentation, in accordance with the rules of this Article.
5. The Acceptance / Logistics Officer or committee members must be notified in advance by the contract manager of the request for the relevant supplies in order for the acceptance to be made on order, technical specifications and contract terms.
6. In cases where the receipt of the non-financial asset is made directly by the supplier to the user, without passing through the central repository of the KPC Secretariat, The Director of the Secretariat determines the responsibility with the relevant decision to manage the process of receiving, distributing and using non-financial assets.
7. For any supply and service provided by the company, which does not exceed the relevant units, responsible officers must be notified in advance.

8. For sub-programs, the Special Prosecution Office of the Republic of Kosovo and the Office for Victims Protection and Assistance, approvals of requests for supplies and services must be approved by the SPRK Administrator and the OVPA Manager.
9. The non-financial asset acceptance committee shall be composed of not less than three (3) expert members of the relevant field, including the material responsible officer. Members of this committee may also be external experts if needed.
10. Nonfinancial assets that are not in compliance with the contract should not be accepted by committee members. The property in question must be returned to the supplier, on the grounds of refusal.
11. In cases when the property is donated, the handover procedure is performed by the responsible person authorized by the Director of the KPC Secretariat with the accompanying documentation.
12. In cases when the property is donated and there is no documentation, but no other supporting acts, the Director of the KPC Secretariat, by decision, forms a three-member commission for the evaluation of non-financial assets.
13. If the value of the donations is denominated in any other unofficial currency, it should be converted at the exchange rate at the date of receipt of the non-financial asset.

## **Article 5**

### **Registration and storage of non-financial assets**

1. All non-financial assets specified in this instruction must be registered in the Kosovo Financial Management Information System (KFMIS) and in the E-asset program.
2. Capital nonfinancial assets other than being recorded in the KFMIS for issues of their generation and identification through barcodes (where possible such as: information technology equipment and other equipment, which can be identified with KPC barcodes), should be registered in the E-asset program as well. Non-

capital non-financial assets are registered in E-assets and receive the unique barcode, which is automatically generated by the system.

3. KFMIS and E-Assets registries are registers through which the KPC's assets are identified with the data determined under the applicable rules.
4. The director appoints a logistics officer. The duties of Admission / Logistics Officer can only be a part of the full time job at KPC.
5. The director appoints an Asset officer. The duties of Asset Officer can only be a part of the full time job at KP
6. The duties of the Asset Officer and the Admissions / Logistics Officer cannot be performed by the same officer in the KPC.
7. Employees of the Kosovo Prosecutorial System are responsible for safeguarding their property, which is in their possession and supervision against their loss, theft, misuse and unauthorized use, in accordance with the responsibilities included by its scope.
8. Depreciation of KPC assets is done according to KFMIS system and E-asset program.

## **Article 6**

### **Loading and unloading of officials with nonfinancial assets**

1. Employees of the prosecutorial system have the right to use non-financial assets in the performance of duties and responsibilities under the assignments.
2. Requests for nonfinancial assets are made through the accountants of each organization, sending also the names of the respective officials, who will be charged with nonfinancial assets.
3. No non-financial assets shall be discharged from the Secretariat's warehouse if it has not been previously registered in the system and unless a relevant barcode is set to the extent possible.

4. For nonfinancial assets directly received by economic operators and donors, which do not pass through the Secretariat's central warehouse, the heads of organizational units must submit the list of non-financial assets officials of the repository and the asset officer. Based on the list, barcodes are registered in the system and settle to the relevant equipment.
5. Every official should be responsible for the non-financial assets that are in the possession and supervision of.
6. Every official should have a list of all the non-financial assets that he is in charge of.
7. Acceptance and removal of non-financial assets from the warehouse in case of damage and malfunction must be done with the approval of the head of the organizational unit and notification of the asset officer.
8. In cases of transfer of personnel within the prosecutorial system, the employee will carry with him / her information technology equipment as far as possible. Whereas for the accompanying inventory is uploaded to the new job.
9. All changes must be made with the prior approval of the organizational unit supervisor.
10. Movement of nonfinancial assets within the prosecutorial system is done by uploading and unloading officials for the management and use of nonfinancial assets, respectively by the Admissions / Logistics Officer, through the source document "load sheet" - "entry sheet". The document must be signed by the competent officer, who has given the asset on one side (uploading) and, on the other, by the competent officer who has received the asset (unloading). All transactions related to the movement of non-financial assets, whether moving from a warehouse to an operating officer, whether moving assets between officials or whatever the mode of asset management, must be recorded in the E-asset program.

**Article 7**  
**Inventory of non-financial assets**

1. The prosecutorial system conducts an inventory of nonfinancial assets every year in order to verify the accuracy, quality and physical condition of the nonfinancial assets, referring to the previous year.
2. By decision of the Director of the KPC Secretariat, the inventory of non-financial assets shall be conducted in accordance with the legal provisions of this Instruction and other applicable rules.
3. The Director of the Secretariat shall, where appropriate, suspected of fraud, misuse, theft and loss of non-financial assets, make a decision on partial or complete inventory of non-financial assets whenever such a situation is found.
4. The inventory process should be initiated and overseen by the General Services Division at the KPC Secretariat, supported by the asset officer.
5. Inventory should be carried out from December 1 to December 31 of the current year.
6. Changes recorded in the inventory should be included in the official register of nonfinancial assets in order to keep the register presented in the financial statements of the respective year in accordance with the actual status of the KPC assets.
7. The inventory process should identify assets in operation, out of operation, impaired, and stocks at each end of the year.
8. Inventory forms and records should be unified for all units.

## **Article 8**

### **Establishment of the Commission**

1. By decision of the Director of the KPC Secretariat, the Commission for the Inventory of KPC Nonfinancial Assets is established (hereinafter the Commission).
2. The Commission is an interim body and consists of at least three members who are KPC officials.
3. On the proposal of the prosecution offices, the Director has the right to form commissions for each prosecution or one commission for the entire prosecutorial system.
4. For specific assets to an official by other budget organizations or external experts may also be assigned.
5. Asset Officer and Admission / Logistics Officer are not eligible to be part of the Commission.

## **Article 9**

### **Responsibilities of the Commission**

1. Responsibilities of the commission are as follows:
  - 1.1 Inventory of all non-financial assets owned and controlled by KPC.
  - 1.2 Physical and qualitative verification of the status of non-financial assets.
  - 1.3 Comparing the situation of the inventory with the situation of the records of non-financial assets.
  - 1.4 Identification of damaged and out-of-use assets
  - 1.5 Prepare the report for performing the inventory.
  - 1.6 Compilation of the general report based on the individual reports of the non-financial asset management committee. The report should contain the physical origin of the non-financial assets, their retention conditions and remarks on the nature of the differences and certain damages.



1.7 The general report is prepared prior to the annual reporting of the financial statements, no later than 5 working days after December 31.

2. All changes that are determined after the inventory should be reflected in the official register of non-financial assets of KPC.
3. Commission should be provided with records generated by the system and support other necessary information.

## **Article 10**

### **Inventory procedures**

1. The Asset Inventory Committee uses all information registered in KFMIS for assets valued at more than EUR 1,000.00, while assets valued below EUR 1,000.00 use the data recorded in the E-assets.
2. Donated assets must be certified by the Commission based on registers and other documents which have identified the value and ownership of the property as a donation to the KPC.
3. Information required for the purpose of asset evaluation, the Commission shall provide from the KPC Asset Responsible Person, who shall maintain an accurate data and list of all assets owned by the KPC, a list which shall be updated regularly after any change done year-round, including inventory and evaluation.
4. For all decisions made the KPC Asset Officer will be notified and will be provided with a copy of the entire documentation pertaining to the inventory process.
5. The Asset Officer must update the asset records within 10 days of receiving the inventory report, based on the changes identified and the recommendations issued by the Commission.

**Article 11**  
**Registers of non-financial assets**

1. The registers that the Commission must confirm and draft during the inventory process are as follows:
  - 1.1. Confirmation of asset registers in KFMIS and E-assets:
  - 1.2. Register with the equipment in use:
  - 1.3. Register with out-of-use equipment:
  - 1.4. Warehouse or Reserve Equipment Register:
  - 1.5. Identification of equipment without barcodes,
  - 1.6. Registration of unregistered device:
  - 1.7. Identification of equipment with the same barcode or even incorrect description:
  - 1.8. Confirmation of ownership of nonfinancial assets in use by staff and other institutions provided by the KPC;
  - 1.9. The Commission may record any relevant information and recommend it for completion in the official registers of non-financial assets.

**Article 12**  
**Inventory report**

1. The Commission is obliged to draft a report on the inventory process, which is signed by all members of the Commission and encloses all its supporting documents,
2. A copy of the report together with supporting documents should be sent to the Director of the KPC Secretariat and the KPC Asset Officer.
3. The report is protocolled and remains in the KPC Archive file.
4. After reconciling the status of financial asset registers with inventory, the correct nonfinancial asset register should be reflected in the annual financial statements of the respective year.

**Article 13**  
**Assessment of non-financial assets**

In the context of the prosecutorial system, non-financial assets should be evaluated as needed to assess and certify non-financial assets, their physical condition, and the ability to use them in other units.

**Article 14**  
**The establishment of the committee for evaluation of assets**

1. By the decision of the Director of the KPC Secretariat, a Committee for the Evaluation of Non-Financial Assets (hereinafter the Committee) is hereby established.
2. The Committee is a temporary body, consisting of at least three members, who are official within the prosecutorial system.
3. When verifying the accuracy and quality of assets that are being inventoried and in the absence of an expert from the KPC on the specific assets of a member of the Committee for the evaluation of non-financial assets, an officer of any other budget organization or external expert may also be appointed.
4. Asset Officer and Acceptance / Logistics Officer are not eligible to be part of the Committee.

**Article 15**  
**Responsibilities of the Committee**

1. Responsibilities of the Committee for evaluation of assets are as follows:
  - 1.1. Assessment of the damaged property;
  - 1.2. Assessment of Requirements for Alienation of Assets;
  - 1.3. Presentation of evidence for property valuation;
  - 1.4. Prepare a report on nonfinancial assets, which should be removed from use;
2. Evaluation of the disposal of non-financial assets should be based on the following criteria:

- 2.1. Expiration of use based on depreciation rate, expiry date, and inability to repair;
- 2.2. Inability to repair as a result of wear and tear on other use;
- 2.3. Degree of damage, which does not allow return of the previous state;
- 2.4. Greater than or equal to the fair value of the non-financial asset's market value;
- 2.4.1. Inability to use non-financial assets for specific purposes as a result of changing technical requirements, working conditions and scope of the budget organization.

## **Article 16**

### **Procedures for evaluation of assets**

1. The Asset Evaluation Committee should use all information registered in SitvIFK for assets valued at more than € 1,000.00, while assets valued at less than € 1,000.00 use the data recorded in E-Assets.
2. Assets donated as a donation to the KPC should be assessed by the Committee, based on the registers and other documents that document the value of the assets as a donation.
3. The Committee provides the information necessary for the valuation of assets by the Asset Officer, who maintains an up-to-date accurate list of all nonfinancial assets held by the KPC.
4. The Commission makes recommendations after evaluating assets in relation to assets that are valued as assets for alienation or revaluation.
5. All decisions taken will be notified to the KPC Assets Officer and a copy of the documentation related to the valuation process will be provided to him.
6. After reconciling the status of the financial asset registers to their value, the non-financial asset register should be reflected in the annual financial statements.

**Article 17**  
**Alienation of financial assets**

1. The alienation of the financial assets is based on the decision proven by the Director of the KPC Secretariat; the decision should be based on the recommendations received by the Committee for evaluation of the financial assets, based on the remarks made by the Committee for the inventory of assets non-financial assets. The reason for the alienation of property should be based on the fact that the property is unusable and out of order.
2. For capital assets purchased with KPC budget funds or purchased with donor funds, approval of the alienation must also be obtained from the Ministry of Finance.

The application for approval must contain this information:

- 2.1. Name of the asset item for alienation;
  - 2.2. Purchase value;
  - 2.3. The accumulated depreciation;
  - 2.4. The carrying value;
  - 2.5. Current status of assets (out of order);
  - 2.6. Minutes of the Non-financial Assets Alienation Committee and
  - 2.7. Extract from the register of assets;
3. The alienation of property may occur in the event of:
  - 3.1. Sales;
  - 3.2. Transfer to any other budget organization;
  - 3.3. Giving in the form of donation or transfer and
  - 3.4. Destruction;
4. The Director of the KPC Secretariat shall decide on requests for alienation based on the recommendation of the Committee on the Evaluation of Non-Financial Assets.
5. The Director of the KPC Secretariat should ensure that the process of other property is efficient, effective, economical and transparent.

6. The sale of non-financial assets should be done through open, impartial, transparent process procurement and ensure maximum return on their value.
7. Transfer to any other budget organization may occur if:
  - 7.1. Delegation of responsibilities;
  - 7.2. Finding that non-financial assets are necessary for the recipient budget organization,
8. Giving in the form of a gift or transfer to non-governmental individuals and associations of non-financial assets should be justified, describing the purpose of the gift as a gift or transfer.
9. Destruction can be done directly when it is determined that the non-financial asset cannot be sold, transferred to any other budget organization or donated and transferred to individuals and non-governmental organizations.
10. For all decisions taken, the Non-financial Asset Alienation Committee shall notify the Asset Officer and shall submit a copy of the documentation related to the alienation process.
11. By decision of the Director of the KPC Secretariat, a Non-Financial Asset Alienation Commission is appointed and uses the alienation procedures according to the applicable rules.
12. The Asset Officer and the Acceptance / Logistics Officer have no right to decide on matters related to the disposal of assets.

## **Article 18**

### **Punitive measures**

1. If during the operation of managerial oversight, internal controls, internal and external audit it is found that there has been systematic failure to perform the duties of the prosecutorial system staff, the Director of the KPC Secretariat initiates disciplinary proceedings for personnel who have failed in pursuance of this instruction.
2. Systematic failures will be considered: ineffective management and control of nonfinancial assets, incomplete inventory of nonfinancial assets, inadequate valuation of nonfinancial assets, and alienation in contravention of rules, failure to adhere to the rules of acceptance and use of nonfinancial assets and non-reconciliation of the inventory situation with the asset registers.

**Article 19**  
**Final Provisions**

1. For matters that are not regulated by this Administrative Instruction and contrary are the provisions of MoF Regulation No. 02/2013 on Management of Non-Financial Assets in Budget Organizations and other applicable legal acts.

**Article 20**  
**Entry into force**

Administrative Instruction enters into force on the day of its adoption by the Kosovo Prosecutorial Council.

Pristina, 26 July 2018

Blerim Isufaj

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Chairman of the Kosovo Prosecutorial Council