

**International Budget Partnership**  
**OPEN BUDGET QUESTIONNAIRE**  
**El Salvador, September 2009**

International Budget Partnership  
Center on Budget and Policy Priorities  
820 First Street NE, Suite 510  
Washington, DC 20002  
[www.internationalbudget.org](http://www.internationalbudget.org)  
[www.openbudgetindex.org](http://www.openbudgetindex.org)

**This questionnaire was completed by:**

|                      |  |
|----------------------|--|
| <b>Name:</b>         | Jaime López  |
| <b>Organization:</b> | Fundación de Estudios para la Aplicación del Derecho   |
| <b>Address:</b>      | 25 calle poniente #1332, colonia Laico, San Salvador   |
| <b>Telephone:</b>    | +503 2236 1800   |
| <b>E-mail:</b>       | <a href="mailto:jaime.lopez@funde.org">jaime.lopez@funde.org</a>                                     |
| <b>Organization:</b> | Fundación Nacional para el Desarrollo  |
| <b>Address:</b>      | Calle Arturo Ambrogi # 411 entre 103 y 105 Avenida<br>Norte, Col. Escalón, San Salvador, El Salvador |
| <b>Telephone:</b>    | +503 2209-5300   |

# International Budget Partnership OPEN BUDGET QUESTIONNAIRE

|  |     |
|--|-----|
| <b>Section One: The Availability of Budget Documents</b> .....                   | 3   |
| Table 1. Budget Year of Documents Used in Completing the Questionnaire.....      | 4   |
| Table 2. Key Budget Documents Used: Full Titles and Internet Links .....         | 5   |
| Table 3. Distribution of Documents Related to the Executive’s Budget Proposal... | 7   |
| Table 4. Distribution of the Enacted Budget and Other Reports .....              | 8   |
| <b>Section Two: The Executive’s Budget Proposal</b> .....                        | 9   |
| Estimates for the Budget Year and Beyond.....                                    | 10  |
| Estimates for Years Prior to the Budget Year.....                                | 26  |
| Comprehensiveness .....  | 41  |
| The Budget Narrative & Performance Monitoring .....                              | 52  |
| Additional Key Information for Budget Analysis & Monitoring.....                 | 57  |
| <b>Section Three: The Budget Process</b> .....                                   | 68  |
| Executive’s Formulation of the Budget .....                                      | 69  |
| Legislative Approval of the Budget .....   | 77  |
| Executive’s Implementation of the Budget.....                                    | 85  |
| Year-end Report and the Supreme Audit Institution.....                           | 101 |

## **Section One: The Availability of Budget Documents**

**Table 1. Budget Year of Documents Used in Completing the Questionnaire**

| <b>Budget Documents Used in Completing the Questionnaire</b> |                  |
|--|------------------|
|  | Budget Year Used |
| Pre-Budget Statement   | 2010             |
| Budget Summary   | 2009             |
| Executive's Budget Proposal                                  | 2009             |
| Supporting Budget Documents                                  | 2009             |
| Citizens Budget  | 2009             |
| Enacted Budget   | 2009             |
| In-Year Reports  | 2009             |
| Mid-Year Report  | Not available    |
| Year-End Report  | 2008             |
| Audit Report   | Not available    |

**Table 2. Key Budget Documents Used: Full Titles and Internet Links**

| Budget Document   | Full Title, Date, and Internet Link  |
|---|--|
| Pre-Budget Statement  | <p>“Política presupuestaria 2010” (2010 budget policy), June 2009.<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre_2010.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre_2010.pdf</a><br/>                     (It is used as preliminary budget although it doesn't include the macroeconomic outlook or preliminary estimates. That information is produced but is not released)</p>   |
| Budget Summary  | Not Produced   |
| Executive's Budget Proposal   | <p>“Proyecto de Ley de Presupuesto General del Estado 2009” (2009 Draft General Budget Law of the State), September 26, 2008.<br/> <a href="http://www.mh.gob.sv/portal/page?_pageid=181,31870&amp;_dad=portal&amp;_schema=PORTAL">http://www.mh.gob.sv/portal/page?_pageid=181,31870&amp;_dad=portal&amp;_schema=PORTAL</a><br/>                     (The Executive's Budget Proposal is posted on Internet, but is then replaced by the approved budget, with the latter being the link to both). It can be consulted by any person physically in the archives of the Legislative Assembly, where it is found in a reading room for review of the file. If someone wants a copy, it must be obtained through a congressman or women.</p> |
| Budget Document One in Support of the Executive's Budget Proposal   | <p>“Proyecto de Ley de Salarios 2009” (2009 Draft Law of Wages), September 26, 2008.<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/menuleysal09">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/menuleysal09</a></p>  |
| Budget Document Two in Support of the Executive's Budget Proposal   | <p>“Mensaje del Proyecto de Presupuesto 2009” (2009 Draft Budget Message), September 26, 2008<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje_2009.pdf</a></p>   |
| Budget Document Three in Support of the Executive's Budget Proposal |  |
| Citizens Budget   | <p>“Guía del Presupuesto General del Estado para el Ciudadano Ejercicio Fiscal 2009” (Citizen's Guide to the General Budget of the State), February 10, 2009.<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Guia_del_Ciudadano/Guia09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Guia_del_Ciudadano/Guia09.pdf</a></p>   |

|                 |  |
|-----------------|--|
| Enacted Budget  | <p>"Ley de Presupuesto General del Estado 2009" (2009 General Budget Law of the State), approved by the Legislative Assembly on November 26, 2008, decree No. 771, published in Official Gazette No. 242, Volume 381, of December 23, 2008<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO</a><br/> <a href="http://190.86.209.40/diarios/do-2008/12-diciembre/23-12-2008.pdf">http://190.86.209.40/diarios/do-2008/12-diciembre/23-12-2008.pdf</a></p>   |
| In-Year Reports | <p>Monthly:<br/> "Resumenes ejecutivos del gasto" (Executive summaries of expenditures), 2009 monthly reports,<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo</a></p> <p>Mayo 2009:<br/> For the review, the 2009 May summary of June 26, 2009, is used<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen_Ejecutivo_de_mayo_de_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen_Ejecutivo_de_mayo_de_2009.pdf</a></p> <p>Quarterly:<br/> "Boletín presupuestario" (Budget bulletin), quarterly report,<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario</a></p> <p>January-March/2009:<br/> For the review, the Budget bulletin for Jan-March 2009, of May 15, 2009, is used<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar_09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar_09.pdf</a></p> |
| Mid-Year Review | Not Produced   |

|                                   |   |
|-----------------------------------|---|
| Year-End Report                   | <p>"Informe de la Gestión Financiera del Estado 2008" (2008 Financial Management Report of the State), March 26, 2009 (Posting on Internet was verified in June 2009),<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a></p> |
| Audit Report                      | Produced but not Available to the Public  |
| Other Documents                   |   |
| Relevant Ministries & Departments | <p>Council of Ministers<br/> Ministry of the Treasury<br/> -National Office of Financial Administration<br/> -General Office of the Budget<br/> -General Office of Government Accounting<br/> Central Reserve Bank<br/> SAI of the Republic<br/> Legislative Assembly<br/> -Treasury and Special Budget Committee</p>   |

**Table 3. Distribution of Documents Related to the Executive's Budget Proposal**

| <b>DISTRIBUTION OF BUDGET DOCUMENTS</b>   |            |                             |                 |                       |                       |                 |
|---|------------|-----------------------------|-----------------|-----------------------|-----------------------|-----------------|
|   | Pre-budget | Executive's Budget Proposal |                 |                       |                       | Citizens budget |
|   |            | Main document               | Budget summary* | Supporting Document 1 | Supporting Document 2 |                 |
| A. Not produced, even for internal purposes   |            |                             |                 |                       |                       |                 |
| B. Produced for internal purposes, but not available to the public  |            |                             |                 |                       |                       |                 |
| C. Produced and available to the public, but only on request  |            |                             |                 |                       |                       |                 |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)  | Yes        | Yes                         |                 | Yes                   | Yes                   | Yes             |
| <b><i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i></b> |            |                             |                 |                       |                       |                 |
|   | Pre-budget | Executive's Budget Proposal |                 |                       |                       | Citizens budget |
|   |            | Main document               | Budget summary* | Supporting Document 1 | Supporting Document 2 |                 |
| 1. The release date is known at least one month in advance  | Yes        | Yes                         | NA              | Yes                   | Yes                   | No              |
| 2. Advance notification of release is sent to users, media  | No         | Yes                         | NA              | Yes                   | Yes                   | No              |
| 3. Released to public same day as official release to media   | Yes        | Yes                         | NA              | Yes                   | Yes                   | No              |
| 4. Available on the Internet free of charge   | Yes        | Yes                         | NA              | Yes                   | Yes                   | Yes             |
| 5. Free print copies available, limited distribution  | No         | No                          | NA              | No                    | No                    | No              |
| 6. Free print copies available, mass distribution   | No         | No                          | NA              | No                    | No                    | No              |
| 7. Readily available outside capital and/or big cities <sup>+</sup>   | Yes        | Yes                         | NA              | Yes                   | Yes                   | Yes             |
| 8. Written in more than one language  | No         | No                          | NA              | No                    | No                    | No              |
| 9. News conference is held to discuss release   | No         | Yes                         | NA              | Yes                   | Yes                   | No              |

\*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

<sup>+</sup>Mark "Yes" if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

**Table 4. Distribution of the Enacted Budget and Other Reports**

| <b>DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS</b>   |                |                 |                 |                 |              |
|---|----------------|-----------------|-----------------|-----------------|--------------|
|   | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| A. Not produced, even for internal purposes   |                |                 | Yes             |                 |              |
| B. Produced for internal purposes, but not available to the public  |                |                 |                 |                 | Yes          |
| C. Produced and available to the public, but only on request  |                |                 |                 |                 |              |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)  | Yes            | Yes             |                 | Yes             |              |
| <b><i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i></b> |                |                 |                 |                 |              |
|   | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| 1. The release date is known at least one month in advance  | No             | Yes             | NA              | Yes             | NA           |
| 2. Advance notification of release sent to users, media   | No             | No              | NA              | No              | NA           |
| 3. Released to public same day as official release to media   | No             | No              | NA              | No              | NA           |
| 4. Available on the Internet free of charge   | Yes            | Yes             | NA              | Yes             | NA           |
| 5. Free print copies available, limited distribution  | No             | No              | NA              | No              | NA           |
| 6. Free print copies available, mass distribution   | No             | No              | NA              | No              | NA           |
| 7. Readily available outside capital/big cities <sup>+</sup>  | Yes            | Yes             | NA              | Yes             | NA           |
| 8. Written in more than one language  | No             | No              | NA              | No              | NA           |
| 9. News conference is held to discuss release   | Yes            | No              | NA              | No              | NA           |

<sup>+</sup>Mark "Yes" if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

## Section Two: The Executive's Budget Proposal

*Notes on abbreviations:*

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

**Note 1:** The Open Budget Survey research process was carried out over a 12-month period and the final version of the Open Budget Questionnaires reflect decisions made after multiple rounds of discussions between Survey researchers, peer reviewers, and the International Budget Partnership (IBP) (in several countries these decisions also considered comments received from governments). When peer reviewers or governments agreed with the answers provided by researchers, they often provided no comment. Thus for many questions, the section in the questionnaire that should contain peer reviewer comments is left blank. However, if the government did not provide any comments to a question (because it did not dispute the answer), the section within the questionnaire that is meant to reflect government comments specifies the answer that the government agreed with (by default).

Since the IBP continued its discussions with the researchers even after receiving peer reviewer and government comments, for some questions these discussions resulted in a mutual decision to change the answers, even if the peer reviewers and governments agreed with the original answer provided by the researcher. Such changes may have happened as a result of:

1. A more consistent application of the Survey methodology;
2. New information identified by the researcher or by IBP that had a bearing on the answer for a particular question; or
3. Decisions made to ensure cross-country comparability of answers.

For more information on these changes for any question please write to [info@internationalbudget.org](mailto:info@internationalbudget.org).

| <b>The Executive's Budget Proposal</b>   |   |
|--|---|
| <b>Estimates for the Budget Year and Beyond</b>  |   |
| <p>1. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> <li>All expenditures are classified by administrative unit.</li> <li>Expenditures are classified by administrative unit, but some small units are not shown separately.</li> <li>Expenditures are classified by administrative unit, but a significant number of units are not shown separately.</li> <li>No expenditures classified by administrative unit are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> Central Government, Summary 4. Make up of expenditure by institution and management area<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios2009">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios2009</a><br/> Decentralized institutions, Summary 2. Make up of expenditure by institution and management area<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/de_sumario2-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/de_sumario2-09.pdf</a><br/> Public enterprises – Summary 4. Financial make up of expenditure by institution and management area<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/em_sumario4-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/em_sumario4-09.pdf</a></p> <p><u>Comment:</u><br/> Expenditures in the Executive's Budget Proposal is organized by primary unit, name of ministry, Office of President of the Republic, Legislative Assembly, Judiciary, Supreme Electoral Tribunal, SAI, Public Prosecutors, other institutions of the central government, decentralized institutions and non-financial public enterprises. The budget of the Ministry of the Treasury is a special case, as it approves expenditures for general obligations of the State, such as pensions, public debt and political party financing.</p> <p><b><u>Peer Reviewer One Comment:</u></b> I agree. It is presented with details reaching the administrative units.</p> <p><b><u>Peer Reviewer Two Comment:</u></b> All expenditures of the institutions of the State, regardless of their category (central government, decentralized institutions and public enterprises) are classified by administrative unit.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |
| <p>2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p>  | b |

- a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.
- b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.
- c. Some, but not all, expenditures are classified by function.
- d. No expenditures classified by function are presented.
- e. Not applicable/other (please comment).

Citation:

Central Government, Summary 4. Make up of expenditure by institution and management area

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios2009](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios2009)

Decentralized institutions, Summary 2. Make up of expenditure by institution and management area

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/de\\_sumario2-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/de_sumario2-09.pdf)

Comment:

The Executive's Budget Proposal is organized by management areas, which perform the duty or function of a functional classification. These management areas are: administrative management, administration of justice and public safety, social development, economic development support, public debt, and general obligations of the State.

However, such a classification system does not disaggregate nor is it in line with international standards.

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:** Indeed the functional classification is presented as expenditures by areas, that is not the same that functional classification. I would prefer to choose "d" instead of "b."

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

3. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?

- a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.
- b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.
- c. Some, but not all, expenditures are classified by economic classification.
- d. No expenditures classified by economic classification are presented.
- e. Not applicable/other (please comment).

Citation:

Central Government – Summary 5. Financial make up of expenditure by management area

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/gc\\_sumario5-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario5-09.pdf)

Central Government – Summary 6. Financial make up of expenditure by institution and item grouping

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/gc\\_sumario6-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario6-09.pdf)

Decentralized – Summary 4. Financial make up of expenditure by management area

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/em\\_sumario4-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/em_sumario4-09.pdf)

Decentralized – Summary 5. Financial make up of expenditure by institution

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/de\\_sumario5-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/de_sumario5-09.pdf)

Public enterprises – Summary 3. Financial make up of expenditure by institution and item grouping

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/em\\_sumario3-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/em_sumario3-09.pdf)

Public enterprises – Summary 4. Financial make up of expenditure by management area

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/em\\_sumario4-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/em_sumario4-09.pdf)

Comment:

All expenditures are classified in financial terms. The classification system is in line with international standards. The greatest degree of aggregation is in current expenditures, capital expenditures, financial applications and special contribution expenditures.

**Peer Reviewer One Comment:**

a

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's response.

4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?
- Program-level data are presented for all expenditures.
  - Program-level data are presented for at least two-thirds of, but not all, expenditures.
  - Program-level data are presented, but for less than two-thirds of expenditures.
  - No program-level data are presented.
  - Not applicable/other (please comment).

Citation:

Breakdown of institutional budgets

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/menuleypre09](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/menuleypre09)

Example: Ministry of Public Health and Social Assistance

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Presupuestos/LP3200-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP3200-09.pdf)

Comment:

In the Salvadoran budget system, the classification "budgetary units" and "lines of work" are used, which for the purposes of this questionnaire are considered the same thing as a program. Consequently, all expenditures are classified under a program.

However, as is apparent in the example of the Ministry of Health and Social Assistance referenced above, the data is not set forth in detail. It just presents the purpose (an imprecise statement of objective) and the amount allocated, which is inadequate for follow-up and evaluation.

In the 2008 questionnaire, there were differences of opinion among the peer reviewers; but in the end, in order to maintain consistency of data across countries, the above explained criterion was accepted.

a

**Researcher Response to this Question was "a"**

**Peer Reviewer One Comment:** It is true. There are some areas that do not present the expenditures by budgetary units and /or programs. In general, however, the budget has been prepared at program level; I would say that "b" is a better answer.

**Peer Reviewer Two Comment:** In El Salvador, the budgeting system does not, strictly speaking, classify expenditures as "program expenditures." It just uses the classification of "budgetary units" and "lines of work", which for the purposes of this questionnaire are regarded as an amount to programs. Thus, we can conclude that all expenditures are classified under a program.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

5. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?

- a. Yes, multi-year estimates of aggregate expenditure are presented.
- b. No, multi-year estimates of aggregate expenditure are not presented.
- c. Not applicable/other (please comment).

Citation:

Example: Budget of the Ministry of the Treasury  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf)

Comment:

The budget system in El Salvador does not include multi-year estimates, nor is the Executive required to include this type of data in the Executive's Budget Proposal it submits to the legislative body. In some instances, by the very nature of transactions, the executive uses multi-year estimates internally, for example with debt obligations, or appropriations that that will have to be made for investment projects when implementation of it goes beyond the fiscal year. However, only the portion of those estimates that is used in the respective budget year (BY) are included in budget documents, as can be seen in the example cited, which is the budget of the Ministry of the Treasury, which encompasses the general obligations of the State.

b

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:** The Treasury usually develops multi-year forecasts, but they are not released to the public. For this reason, "b" is the appropriate answer.

**Peer Reviewer Two Comment:** In El Salvador, estimates of aggregate expenditure levels for multi-year periods are not released. We share the view of the resident researcher when he refers to the example of the Ministry of the Treasury, even though it cannot be considered the general rule.

**Government Comment:** Government did not dispute researcher's response.

|  |   |
|--|---|
| <p>6. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> <li>Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).</li> <li>Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.</li> <li>Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.</li> <li>No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Executive's Budget Proposal does not include multi-year estimates. See comment for question 5, where a more detailed explanation of the matter is provided.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In El Salvador, estimates of multi-year aggregate expenditure levels are not released. The executive uses multi-year estimates, for example, with debt obligations, or appropriations that that will have to be made for investment projects when implementation goes beyond the fiscal year; however, only the portion of those estimates that is used in the respective budget year (BY) are included in budget documents.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |
| <p>7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ol style="list-style-type: none"> <li>All sources of tax revenue are identified individually.</li> <li>Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.</li> <li>Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.</li> <li>No sources of tax revenue are identified individually.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Central Government – Summary 2. Financial make up of revenue and expenditures<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario2-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario2-09.pdf</a></p>   | a |

Central Government – Budget of Revenue  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf)

Comment:

The different sources of tax revenue are individually identified. The following categories are used: income, transfer of goods (value added), foreign trade, real estate transfers, specific products, and a variety of other taxes. What is known as 'special contributions,' charges used for specific purposes, such as one on fuel, which is used for highway maintenance, were also identified.

**Researcher Response to this Question was "a"**

**Peer Reviewer One Comment:** It is correct; "a" is the best answer. The information released by the Ministry of Treasury present detailed information in regard the source of the tax revenue.

**Peer Reviewer Two Comment:** The Salvadoran Executive's Budget Proposal identifies the different sources of tax revenue. In the above cited links, both in Summary No. 2 "financial make up of revenue and expenditures" and in the document "budget of revenue," the categories used as tax sources are fully identified.

**Government Comment:** Government did not dispute researcher's response.

|   |   |
|---|---|
| <p>8. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <p>a. All sources of non-tax revenue are identified individually.<br/> b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.<br/> c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.<br/> d. No sources of non-tax revenues are identified individually.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Central Government – Summary 2. Financial make up of revenue and expenditures<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario2-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/gc_sumario2-09.pdf</a><br/> Central Government – Budget of Revenue<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |
| <p>9. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate revenue are presented.<br/> b. No, multi-year estimates of aggregate revenue are not presented.<br/> c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u><br/> Multi-year revenue estimates are not provided either in the Executive's Budget Proposal, or in the supporting documents. See comment for response 5.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | b |

|   |   |
|---|---|
| <p>10. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> <li>Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</li> <li>Yes, multi-year estimates are presented, but only for some individual sources of revenue.</li> <li>No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Multi-year revenue estimates are not provided either in the Executive's Budget Proposal, or in the supporting documents. See comment for response 5.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |
| <p>11. Does the executive's budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ol style="list-style-type: none"> <li>Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget).</li> <li>Yes, the data reflect the outstanding debt at the end of the budget year.</li> <li>Yes, the data reflect the outstanding debt at the start of the budget year.</li> <li>No, data on the outstanding debt are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Budget of the Ministry of the Treasury, includes breakdown of principal and interest for debt servicing<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf</a><br/>Fiscal statistics of the Central Reserve Bank<br/><a href="http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001">http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001</a></p> <p><u>Comment:</u></p> | d |

|  |          |
|--|----------|
| <p>Data on total government debt are not included in the Executive’s Budget Proposal, or in the supporting documentation. However, this information can be obtained through alternative means, by consulting the statistics of the Central Reserve Bank.</p> <p><b><u>Researcher Response to this Question was “d”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> In the document “Basic Statistics of the Non-Financial Public Sector 2009” considered as one of the supporting budget documents, can be found the amount of interest on external debt and the payments of principal. My answer is “a.”</p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Central Reserve Bank is the institution that manages data on total government debt. In the Executive’s Budget Proposal that the Ministry of the Treasury submits to the Legislative Assembly, it includes figures for principal and interest to be paid during the fiscal year, as amortization of foreign debt, but it does not include the pending balance thereof.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>   |          |
| <p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented.<br/> b. No, interest payments on the debt are not presented.<br/> c. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Budget of the Ministry of the Treasury, includes breakdown of principal and interest for debt servicing<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf</a></p> <p><u>Comment:</u><br/> In the section on debt servicing of the Budget of the Ministry of the Treasury, amounts to be paid out as interest are set forth in detail.</p> <p><b><u>Researcher Response to this Question was “a”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> It is true, the interest payment on the debt are presented, agree with “a.”</p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the Executive’s Budget Proposal that the Ministry of the Treasury submits to the Legislative Assembly, it includes figures for principal and interest to be paid during the fiscal year, as amortization of foreign debt.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |

|  |   |
|--|---|
| <p>13. Does the executive’s budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?</p> <p>a. Yes, extensive information related to the composition of government debt is presented.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/>Budget of the Ministry of the Treasury includes breakdowns of principal and interest for debt servicing<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf</a></p> <p><u>Comment:</u><br/>Information on make up of the debt is not included in the Executive’s Budget Proposal or in the supporting documentation. With regard to foreign debt with countries or multilateral institutions, the information is spread out in the different agreements or contracts, which are released in the Official Gazette of the government.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the Executive’s Budget Proposal that the Ministry of the Treasury submits to the Legislative Assembly, it includes figures for principal and interest to be paid during the fiscal year, as amortization of foreign debt, but it does not provide very specific details on it. As we mentioned under question 11, the Central Reserve Bank is the institution that handles data on total government debt.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |
|--|---|

|   |          |
|---|----------|
| <p>14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ol style="list-style-type: none"> <li>Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.</li> <li>Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.</li> <li>Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.</li> <li>No, information related to the macroeconomic forecast is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> 2009 Budget Message, pgs. 5 and 6<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> The Executive's Budget Proposal does not contain or fully describe the macroeconomic framework supporting it. The only amounts that are presented are expected growth and inflation rates.</p> <p><b><u>Researcher Response to this Question was "c"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> I found some macroeconomic forecast in the supporting documents, but it lacks of details. The model used by the Ministry is kept as confidential information, "c" is a good answer.</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>C</p> |
|---|----------|

|   |          |
|---|----------|
| <p>15. Does the executive's budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the impact of different macroeconomic assumptions on the budget is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> 2009 Budget Message, pgs. 5 and 6<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> The Executive's Budget Proposal does not include any analysis of the impact of macroeconomic projections on revenue, expenditures and debt.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|---|----------|

|   |          |
|---|----------|
| <p>16. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the impact of policy proposals on expenditures is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> 2009 Budget Message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> Policy changes are mentioned in different sections of the Executive's Budget Proposal. In some instances, there is an explanation of how changes affect expenditures, but important details are missing. There is no special section dealing with public policy and expenditure shifts.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> There is no specific section providing specific detail on changes in public policy and changes in expenditures. In some instances, very general mention is made of changes in public policy and how these changes may have a positive or negative effect on the public treasury (particularly when it is part of parliament's discussion and approval of the Executive's Budget Proposal), but it is not included as a specific section within the Executive's Budget Proposal.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>C</p> |
|---|----------|

|   |          |
|---|----------|
| <p>17. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on the impact of policy proposals on revenues is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> 2009 Budget Message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> In some sections of the Executive's Budget Proposal, changes in policy are mentioned, but how they affect expenditures is not covered. In general, important details are missing and there is no special section dealing with public policy and expenditure shifts.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> There is no special section specifically providing detail about changes in public policies and the impact these may have on revenue. In some instances, very general mention is made of revenue collection (particularly when it is part of parliament's discussion and approval of the Executive's Budget Proposal), but it is not included as a specific section within the Executive's Budget Proposal.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>C</p> |
|---|----------|

## Estimates for Years Prior to the Budget Year

18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?
- All expenditures are classified by administrative unit for BY-1.
  - Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.
  - Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.
  - No expenditures classified by administrative unit are presented for BY-1.
  - Not applicable/other (please comment).

Citation:

Budget message, pg. 26

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Mensaje09/Mensaje\\_2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf)

Comment:

A table with expenditures budgeted in the previous year, classified by administrative unit is presented.

b

**Researcher Response to this Question was "a"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** In the document "Budget message," specifically in the annexes section (pg. 27 annex No 3), a table is provided with expenditures budgeted in the previous year. As a complement to that, on pg. 26 of Annex 1, a table is provided of amounts budgeted and classified by administrative unit. For the most part, all information pertaining to expenditures covered in (BY-1) can be reviewed in the annexes of this document.

**Government Comment:** "Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes."

**IBP Comment:** IBP editors chose answer "b" to maintain consistency of assumptions in selecting answers across countries.

|   |   |
|---|---|
| <p>19. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ul style="list-style-type: none"> <li>a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by function for BY-1.</li> <li>d. No expenditures classified by function are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/>Budget message<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/>Information on expenditures classified by function for the previous year was not included in the 2009 Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In Annex No. 10 "2009 budget message," expenditures by sector and management area is found, but expenditures for BY-1 do not appear. Additionally, in question 2 we considered this classification (sectors and management area) as functional for the purposes of this questionnaire.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |
|---|---|

|  |          |
|--|----------|
| <p>20. Does the executive's budget or any supporting budget documentation present expenditures for the year proceeding the budget year (BY-1) that are classified by economic classification?</p> <ul style="list-style-type: none"> <li>a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by economic classification for BY-1.</li> <li>d. No expenditures classified by economic classification are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> Expenditures are compared to the previous year using economic classification in the budget message.</p> <p><b><u>Researcher Response to this Question was "a"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> "Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes."</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "b" to maintain consistency of assumptions in selecting answers across countries.</p> | <p>b</p> |
|--|----------|

|  |   |
|--|---|
| <p>21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none"> <li>a. Program-level expenditure data are presented for all expenditures for BY-1.</li> <li>b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.</li> <li>c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.</li> <li>d. No program-level expenditure data are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on the previous year’s expenditures at the program level is not included in the Executive’s Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p>   | d |
| <p>22. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ul style="list-style-type: none"> <li>a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.</li> <li>b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.</li> <li>c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.</li> <li>d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on actual expenditures executed in the previous year (BY-1) are not presented in the Executive’s Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |

|  |          |
|--|----------|
| <p>23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented.</p> <p>b. No, such prior-year estimates of aggregate expenditure are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on expenditures for BY-2 and previous years are not included in the Executive’s Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the annexes to the document “Budget message,” only BY-1 estimates appear, but BY-2 indicators could be constructed with information from the years prior to 2008.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>b</p> |
|--|----------|

|   |          |
|---|----------|
| <p>24. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> <li>a. Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).</li> <li>b. Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.</li> <li>c. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.</li> <li>d. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on expenditures for BY-2 and previous years is not included in the Executive’s Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>d</p> |
|---|----------|

|  |          |
|--|----------|
| <p>25. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ul style="list-style-type: none"> <li>a. Two years prior to the budget year (BY-2).</li> <li>b. Three years prior to the budget year (BY-3).</li> <li>c. Before BY-3.</li> <li>d. No actual data for all expenditures are presented in the budget or supporting budget documentation.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on expenditures for BY-2 and previous years is not included in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b> None of the supporting documents presents information related to prior year's expenditures. The answer in my opinion is the same "d."</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|--|----------|

26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?

- a. Yes, prior-year data are always adjusted to be comparable to the budget year data.
- b. Yes, in most cases, prior-year data are adjusted to be comparable.
- c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.
- d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.
- e. Not applicable/other (please comment).

Citation:

Budget message

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Mensaje09/Mensaje\\_2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf)

Comment:

Comparisons to the previous year are at the aggregate level. We note that they are adjusted in order to make them comparable. However, we note that no comparisons are drawn at the disaggregated level.

a

**Researcher Response to this Question was "a"**

**Peer Reviewer One Comment.**

**Peer Reviewer Two Comment:** In the document "Budget message," in all of the annexes where comparisons of resources for the current year and BY-1 are drawn, no detailed analysis of changes is provided; instead, only the adjusted figure appears in terms of comparing one year to another (the current one to the previous one).

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "a" to maintain the consistency of assumptions across countries.

|   |          |
|---|----------|
| <p>27. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none"> <li>a. All tax revenues are identified individually for BY-1.</li> <li>b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.</li> <li>c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.</li> <li>d. No tax revenues are identified individually for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> Sources of tax revenue for the previous year are identified.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the document “Budget message,” tax revenue is compared to that of the previous year BY-1. See annex No 2, pg. 27.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|   |          |
|---|----------|
| <p>28. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <p>a. All non-tax revenues are identified individually for BY-1.<br/> b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually.<br/> c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually.<br/> d. No non-tax revenues are identified individually for BY-1.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> Sources of revenue, other than taxes, are identified for the previous year.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the document “Budget message,” tax revenue is compared to the previous year (BY-1). See Annex No. 2, pg. 27.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|  |          |
|--|----------|
| <p>29. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ul style="list-style-type: none"> <li>a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections.</li> <li>b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections.</li> <li>c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections.</li> <li>d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a><br/> Central Reserve Bank<br/> <a href="http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001">http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001</a></p> <p><u>Comment:</u><br/> Revenue estimates are not up-to-date in the budget document. However, through the Central Reserve Bank, one can obtain this information.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the document "Budget message," the comparison is yearly. There is no monthly breakdown for the previous year (BY-1).</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|--|----------|

|   |          |
|---|----------|
| <p>30. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate revenue are presented.<br/> b. No, such prior-year estimates of aggregate revenue are not presented.<br/> c. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> No information is presented on revenue for BY-2 or the previous years in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b> My answer is the same "b."</p> <p><b><u>Peer Reviewer Two Comment:</u></b> No information is presented on revenue for BY-2 or other previous years in the Budget message.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>b</p> |
|---|----------|

|  |          |
|--|----------|
| <p>31. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> <li>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</li> <li>c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue.</li> <li>d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Budget message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> No information is presented on revenue for BY-2 or the previous years in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> No information is presented on revenue for BY-2 or previous years in the Executive's Budget Proposal.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|--|----------|

|   |   |
|---|---|
| <p>32. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ul style="list-style-type: none"> <li>a. Two years prior to the budget year (BY-2).</li> <li>b. Three years prior to the budget year (BY-3).</li> <li>c. Before BY-3.</li> <li>d. No actual data for all revenues are presented in the budget or supporting budget documentation.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on actual revenue for BY-2 or the previous years is not presented in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |
| <p>33. Does the executive's budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.</li> <li>b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.</li> <li>c. Yes, but only information on the level of debt is presented.</li> <li>d. No, information related to the government debt for BY-1 is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No information on debt for the previous year is presented in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b> Despite the fact that in many supporting documents it is presented data related to the current year, there is no mention to debt BY-1.</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |

34. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

- a. Two years prior to the budget year (BY-2).
- b. Three years prior to the budget year (BY-3).
- c. Before BY-3.
- d. No actual data for government debt are presented in the budget or supporting budget documentation.
- e. Not applicable/other (please comment).

Citation:

Comment:

No information on the actual debt for previous years is included in the Executive's Budget Proposal. However, this information can be obtained at the Central Reserve Bank.

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** In the Annual Report of the Ministry of Finance, for 2008/2009, there are figures for the debt of the prior year (exhibit 8, page 74); in the prior Annual Reports the balance of the public debt is presented. Therefore, my answer would be "c."

**Peer Reviewer Two Comment:** No information on the debt for the previous year (BY-1) is presented in the Executive's Budget Proposal. This information can be obtained from data and statistics of the Central Reserve Bank, but it is not prepared to serve as input for the approval of the budget by the Legislative Assembly.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*. Questions 1-55 must be answered by using only the Executive's Budget Proposal and its supporting documents.

d

| <b>Comprehensiveness</b>  |   |
|---|---|
| <p>35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on extra-budgetary funds is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Budget message<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/>Some information is presented in the Budget Message, but not to a high degree of detail.</p> <p><b><u>Researcher Response to this Question was "c"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> A more appropriate response to this question would be "b." In the document "Analysis of the Public Expenditure by Management Areas", exhibit 12 page 24, there are information related to extra-budgetary funds. I could also agree with "c" because the funds are there not well detailed.</p> <p><b><u>Peer Reviewer Two Comment:</u></b> Information on special supplemental revenue and expenditures budgets (see Annex 6 to 10) is presented in this report. Some projections on international loans that may be obtained during the fiscal year, cooperation loans or funds such as the Millennium Challenge Corporation, are presented but with very little detail.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "c" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p> | C |
| <p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on intergovernmental transfers is not presented.</li> </ol>  | b |

|  |          |
|--|----------|
| <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Example 1: Budget of the Ministry of the Treasury<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf</a><br/> Example 2: Budget of the Ministry of Public Health and Social Assistance<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP3200-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP3200-09.pdf</a></p> <p><u>Comment:</u><br/> The breakdown of intergovernmental transfers is presented with earmark and amount for each transfer but without further data.<br/> In the above-cited example of the Ministry of the Treasury, section 3, about the relationship of purposes to resources, transfers to other institutions or funds are included, indicating the purpose and amount. This is also the case with the second example of the Ministry of Public Health and Social Assistance. In section 3, the relationship of purposes to resources, subsidies to national hospitals appears.</p> <p><b><u>Researcher Response to this Question was “b”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The information is presented as a report by the Ministry of the Treasury, without setting forth specific details. The most important figure is the amount transferred and the use thereof but a detailed timeline of execution, outcomes and other things are not provided. This information can be presented as an annex to the official document.</p> <p><b><u>Government Comment:</u></b> A more appropriate response to this question would be “a.” Since the information currently provided in the General Budget of the State is 100% of intergovernmental transfers, and the giving and receiving institutions of said transfers and the amounts thereof are clearly specified for them.<br/> The information can be verified in each one of the budgets of the institutions posted at the URL below:<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE_2010_AL/menuleypre.htmln">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE_2010_AL/menuleypre.htmln</a></p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> |          |
| <p>37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <p>a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on transfers to public corporations is not presented.</p>  | <p>C</p> |

e. Not applicable/other (please comment).

Citation:

Example: Budget of the Ministry of Public Works, Transportation, Housing and Urban Development

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Presupuestos/LP4300-09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP4300-09.pdf)

Comment:

The earmarks and amounts of transfers to or from public corporations is presented, but without any further detail.

Enterprises of the State are considered public corporations. In part 3 of the example, the relationship of purposes to resources, transfers to the National Administration of Aqueducts and Sewers and to National Railroads of El Salvador appear.

**Researcher Response to this Question was "c"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** The information is presented as a report by the Ministry of the Treasury without providing specific detail. The most important figure is the amount transferred and the use thereof but no timeline of execution, outcomes or other details are specified.

**Government Comment:** A more appropriate response to this question would be "a," with the understanding that the information that is currently released includes 100% of transfers made by the Central Government to Public Enterprises of the State. An example that can be consulted is the Budget of the Ministry of Public Works, Housing and Urban Development for 2010, wherein the receiving institution of the transfer, the purpose and amount thereof are clearly specified.

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE\\_2010\\_AL/presupuestos/LP4300-10.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE_2010_AL/presupuestos/LP4300-10.pdf)

**IBP Comment:** IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?

- a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.
- b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on quasi-fiscal activities is not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

The Executive's Budget Proposal does not include information on quasi-fiscal activities. However, data on these activities can be obtained at the Central Reserve Bank, as the main source.

d

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** There are some comments from experts on the topic that the Central Reserve Bank, due to the amount of the former currency (colon) that is custody and its value is zero, could be a strong quasi fiscal deficit. Nevertheless it has not been registered "d."

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be "e," because I believe that at this time there are no quasi-fiscal activities or there is very little, as it does not exceed .2% of the Gross Domestic Product.

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

|  |   |
|--|---|
| <p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on financial assets is not included in the Executive's Budget Proposal. In order to get this information, you must refer to the Year-End financial statements of each fiscal year.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |
| <p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on non-financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Information on financial assets is not included in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |

|   |          |
|---|----------|
| <p>41. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on expenditure arrears is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/> In El Salvador, the term non-executed expenditure is not used for Budget purposes. Fiscal year expenditures are charged to the respective budget. At the close of the year, expenditures that can be recognized as obligations – because goods have been delivered or contracts signed – are recorded and reported as executed expenditures. In the 2008 questionnaire, this question generated several different interpretations, which have been revisited, as well as the final decision made by IBP.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> This Budget term is not used or recognized by the Salvadoran State.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>e</p> |
|---|----------|

|  |          |
|--|----------|
| <p>42. Does the executive’s budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on contingent liabilities is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Executive’s Budget Proposal does not include information on contingent liabilities.</p> <p><b><u>Researcher Response to this Question was “d”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> A more appropriate response to this question would be “e,” because it must be born in mind that there is no high or significant volume of contingent liabilities that require monitoring by the Executive. Therefore, we believe that this question is not applicable.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <p>d</p> |
|--|----------|

43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?
- a. Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.
  - b. Yes, information is presented, highlighting key future liabilities, but some details are excluded.
  - c. Yes, some information is presented, but it lacks important details.
  - d. No, information on future liabilities is not presented.
  - e. Not applicable/other (please comment).

Citation:

2009 Budget Message, pg. 17

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PRESUPUESTOS\\_ESTADO/LPGE09FINAL/Mensaje09/Mensaje\\_2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf)

Comment:

Information on current charges is presented as earmarks and amounts without further detail in the budget document. Information on future obligations is not included.

**Peer Reviewer One Comment:** It is correct, but in the annual report of the Ministry of Finance, (2008/2009) I found reference to the project for developing multi-year budgets. Nevertheless, in the current budget there are not included future liabilities "d."

**Peer Reviewer Two Comment:** In the breakdown of expenditures by management area, resources for all contributions, which the government must make to the social security system (Annex No. 5) under the SAP Law, are indicated. In the Executive's Budget Proposal, only the percentage to be disbursed as pensions is presented, but information on future obligations is not presented.

**Government Comment:** Government did not dispute researcher's response.

d

|   |   |
|---|---|
| <p>44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ol style="list-style-type: none"> <li>All sources of donor assistance are identified individually.</li> <li>At least two-thirds of, but not all, sources of donor assistance, are identified individually.</li> <li>Less than two-thirds of sources of donor assistance are identified individually.</li> <li>No sources of donor assistance are identified individually.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Breakdown of Revenue<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf</a></p> <p><u>Comment:</u><br/>Donations are individually identified.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>   | a |
| <p>45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key tax expenditures, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on tax expenditures is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Budget of the Ministry of the Treasury, pg. 6<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP0700-09.pdf</a></p> <p><u>Comment:</u><br/>Information on tax credits and fiscal incentives is presented, particularly in the Budget of the Ministry of the Treasury, under the title of general obligations of the State. It includes tax refunds and fiscal incentives to exporters. However, details are not included in the Executive's Budget Proposal.</p> <p><b><u>Researcher Response to this Question was "c"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The information available is under the title of</p> | c |

|   |   |
|---|---|
| <p>general obligations of the State. The details are not included in the budget document. Non-traditional exports are included among these payment obligations, as a fiscal stimulus.</p> <p><b>Government Comment:</b> A more appropriate response to this question would be “b,” because in the Budget of the Ministry of the Treasury, under Budget Unit 16, General Obligations of the State, VAT Refunds to Exporters and Fiscal Incentive to Exporters is at the level of Line of Work, indicating respective purpose and amount. The information can be verified at the URL below: <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PR ESUPUESTOS_ESTADO/LPGE_2010_AL/presupuestos/LP0700-10">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PR ESUPUESTOS_ESTADO/LPGE_2010_AL/presupuestos/LP0700-10</a>.</p> <p><b>IBP Comment:</b> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>   |   |
| <p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ol style="list-style-type: none"> <li>All earmarked revenues are identified individually.</li> <li>At least two-thirds of, but not all, earmarked revenues are identified individually.</li> <li>Less than two-thirds of earmarked revenues are identified individually.</li> <li>No earmarked revenues are identified individually.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Breakdown of 2009 revenue, pg. 4<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios/Ingresos-09.pdf</a></p> <p><u>Comment:</u><br/>Earmarked revenue is classified under a category called “Special contributions”, where each item is identified and its respective amount is given.</p> <p><b>Peer Reviewer One Comment:</b></p> <p><b>Peer Reviewer Two Comment:</b> Earmarked revenues are not included in the Executive’s Budget Proposal or do not appear; instead, the name ‘revenue through special contributions’ is used for them.</p> <p><b>Government Comment:</b> Government did not dispute researcher’s response.</p> | a |

47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?

- a. One percent or less of expenditure is dedicated to secret items.
- b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.
- c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.
- d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.
- e. Not applicable/other (please comment).

Citation:

Appendix of statistics of the 2009 budget, pg. 31, the line "Classified Expenditures" (this document is not produced together with the budget) [http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Apendice\\_estadistico/Apendice%20Estadistico%20009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Apendice_estadistico/Apendice%20Estadistico%20009.pdf)

Comment:

Secret expenditures are not identified in the Executive's Budget Proposal; however, in practice, expenditures of this nature are carried out during execution, and public information on it is not available. It is not clear what legal provisions permit executing the secret expenditures cited in the above reference

d

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be "e." The Executive's Budget Proposal does not include items declared as secret expenditures. Therefore, we believe that this question is not applicable.

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

| <b>The Budget Narrative &amp; Performance Monitoring</b>   |   |
|--|---|
| <p>48. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ol style="list-style-type: none"> <li>a. Yes, extensive information on the link between the budget and the government's stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the link between the budget and the government's stated policy goals is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> 2009 budget message, pgs. 6-9<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> Public policy objectives at the management area and institutional level are presented in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the document "2009 budget message," public policy objectives are presented in general at the level of the six management areas and the institutions involved for that purpose (pg. 6-9).</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | b |

|   |          |
|---|----------|
| <p>49. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the link between the budget and the government's stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the major policy goals, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the link between the budget and the government's stated policy goals over a multi-year period is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Executive's Budget Proposal does not set forth multi-year goals, nor is it linked to budget policy.</p> <p><b><u>Peer Reviewer One Comment:</u></b> The Annual Report 2008/2009 mentions that the Ministry, in the future, will prepare Multi-year budgets. Right now, there are no multi-year budgets. I agree with the answer "d."</p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the document "2009 Budget Message," public policy objectives are presented in general at the level of the six management areas and institutions involved for that purpose (pg. 6-9), but no connection is drawn to public policies for multi-year periods.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|---|----------|

50. Does the executive's budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?
- a. Non-financial data are presented for all programs.
  - b. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.
  - c. Non-financial data are presented for programs representing less than two-thirds of expenditure.
  - d. No non-financial data are presented.
  - e. Not applicable/other (please comment).

Citation:

Comment:

The Executive's Budget Proposal does not contain non-financial information that would make it possible, for example, to evaluate expenditure performance or quality. Information on beneficiaries or indicators of social impact is included. At the end of the 1990's, a practice was in place to include a column of physical goals in the budget of each institution; in subsequent years, however, this practice was eliminated.

When this Information does exist, for example in the program "Rural Community Cooperatives," they are reported in other mediums but not in the Executive's Budget Proposal. <http://redsolidaria.gob.sv> (note: In December 2009, the above mentioned website was not functioning)

d

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** Some State programs of the institutions report the number of beneficiaries for their own internal management reports. No reports are prepared on this number in order to include it in the Executive's Budget Proposal, since the Executive's Budget Proposal does not include non-financial information. Some agencies in the social area, such as Health, Education or the FISDL (Social Investment Fund for Local Development), prepare these reports to release outcomes or impacts; but for the purposes of the Executive's Budget Proposal itself, such reports are omitted. Only items and amounts to be invested are mentioned.

**Government Comment:** Government did not dispute researcher's response.

|  |   |
|--|---|
| <p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ul style="list-style-type: none"> <li>a. The non-financial data are very useful for assessing program performance.</li> <li>b. The non-financial data are mostly useful for assessing program performance.</li> <li>c. The non-financial data are somewhat useful for assessing program performance.</li> <li>d. No non-financial data are provided or they are not useful for assessing program performance.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No information that would help to evaluate performance of program expenditure is provided in the Executive's Budget Proposal.</p> <p><b><u>Peer Reviewer One Comment:</u></b> There are some indexes, but not useful for the assessment. I agree with "d."</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |
| <p>52. Does the executive's budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ul style="list-style-type: none"> <li>a. Performance indicators are presented for all programs.</li> <li>b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures.</li> <li>c. Performance indicators are presented for programs representing less than two-thirds of expenditures.</li> <li>d. No performance indicators are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Executive's Budget Proposal does not contain performance indicators for evaluation of program expenditures.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |

|  |   |
|--|---|
| <p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ul style="list-style-type: none"> <li>a. All performance indicators are well designed.</li> <li>b. Most performance indicators are well designed.</li> <li>c. Some performance indicators are well designed, but most are not.</li> <li>d. No programs have performance indicators, or they are not well designed.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>See comment to question 52</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p>   | d |
| <p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ul style="list-style-type: none"> <li>a. All performance indicators are used in conjunction with performance targets.</li> <li>b. Most performance indicators are used in conjunction with performance targets.</li> <li>c. Some performance indicators are used in conjunction with performance targets, but most are not.</li> <li>d. No performance indicators are used in conjunction with performance targets.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>See comment to question 52</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |
| <p>55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</li> </ul>   | c |

|  |  |
|--|--|
| <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Example: 2009 Budget Message, pgs. 6 &amp; 7 (social area priorities)<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a></p> <p><u>Comment:</u><br/> The Executive's Budget Proposal includes some information on appropriations for the most impoverished populations, such as in the budgets of the government's social area. But such information is lacking in important details.</p> <p><b><u>Researcher Response to this Question was "c"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> Perhaps my answer would be "d" instead of "c", because there are only general references to social development programs, including the Millennium Challenge Corporation, FOSALUD, and others.</p> <p><b><u>Peer Reviewer Two Comment:</u></b> In the section "national objectives and priorities in the context of the government plan," a statement of reasons is set forth which establishes that programs, particularly social development and economic development support programs, are meant to support or benefit the most impoverished population, though no further details on them is provided.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "c" to maintain the consistency of the data across the countries.</p> |  |
| <p><b>Additional Key Information for Budget Analysis &amp; Monitoring</b></p>  |  |
| <p><i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive's budget proposal or supporting documents, but may be found in other documents issued by the executive.</i></p>  |  |

56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?

- a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information is not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

The most widely known rates are income tax rates and value added tax rates. The rates or fees are available to the public by means of forms and instruction books, which are free to the public. However, some details are missing.

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:** I would say that "c" is a better answer because the information is offered by the Ministry of Finance is only in tax forms and in the official newspaper. I would say that for the public (or specifically tax payers) there is not enough effort to make this information available for all.

**Peer Reviewer Two Comment:** The most widely known tax rates are income tax rates and value added tax (VAT) rates. Both the law itself and the respective forms or instruments for their observance are available to the public, either in hard copy or by Internet. Specific rates such as private sector tax rates are known by the particular sector, but not by the general population.

**Government Comment:** "Government did not dispute researcher's original answer "b," which the IBP modified for consistency purposes."

**IBP Comment:** IBP editors chose answer "c" to maintain the consistency of assumptions across countries.

C

|   |          |
|---|----------|
| <p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ul style="list-style-type: none"> <li>a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded.</li> <li>c. Yes, some analysis is presented, but it lacks important details.</li> <li>d. No analysis on the distribution of the tax burden is presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/>Internal Revenue Service Page, see statistics section<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Impuestos">http://www.mh.gob.sv/portal/page/portal/MH_Impuestos</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Even though the information is available to the public, it is very technical and, in some instances, requires specific knowledge for citizens to be able to interpret and use it.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>C</p> |
|---|----------|

|  |          |
|--|----------|
| <p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.</li> <li>b. Yes, information is presented, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on conditions associated with IFI assistance is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/>National Printing Office, Official Gazette section<br/><a href="http://imprentanacional.gob.sv/?p=703">http://imprentanacional.gob.sv/?p=703</a></p> <p><u>Comment:</u><br/>Conditions associated with assistance from international financial institutions are included in cooperation agreements, which are published in the Official Gazette.</p> <p><b><u>Researcher Response to this Question was "a"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> I agree that the official newspaper publishes IFI financial assistance, but the information is not released to the public by other means. I would considered "c" to be better answer.</p> <p><b><u>Peer Reviewer Two Comment:</u></b> Any interested member of the public can learn this in the official gazette of the government. At the budget level, all information is included in the cooperation agreements that are approved with international financial institutions. For example: international loans, (World Bank, IMF), international agreements, etc.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "a." Information is presented and every citizen can obtain a copy of the <i>Diario Oficial</i>. The evidence provided by both the researcher and pee reviewer two is enough to support the researcher's answer.</p> | <p>a</p> |
|--|----------|

59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?
- a. Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.
  - b. Yes, information is presented, but some details are excluded.
  - c. Yes, some information is presented, but it lacks important details.
  - d. No, information on conditions associated with donor country assistance is not presented.
  - e. Not applicable/other (please comment).

Citation:

National Printing Office, Official Gazette section  
<http://imprentanacional.gob.sv/?p=703>

Comment:

Conditions associated with assistance from international financial institutions are included in cooperation agreements, which are published in the Official Gazette.

a

**Researcher Response to this Question was "a"**

**Peer Reviewer One Comment:** The same comment than in the 58, I choose "b."

**Peer Reviewer Two Comment:** Conditions associated with assistance from donor countries are included in the cooperation agreements, which are published in the Official Gazette.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "a." See comment to question 58.

|   |   |
|---|---|
| <p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <p>a. Yes, it provides a summary that is very informative.<br/> b. Yes, it provides a summary that is somewhat informative.<br/> c. Yes, but the summary is not very informative.<br/> d. No, it does not provide a summary.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> 2009 Budget Law Message<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Mensaje09/Mensaje_2009.pdf</a><br/> 2009 Budget Law Summaries<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios2009">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/sumarios2009</a></p> <p><u>Comment:</u><br/> The Budget Law message has not been regarded as a summary. Instead, it has been regarded as a supporting document to the budget.</p> <p><b><u>Researcher Response to this Question was “b”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> The summary is available, but with the same restrictions previously mentioned. My answer would be “c.”</p> <p><b><u>Peer Reviewer Two Comment:</u></b> The budget includes enough information for analysis and approval. As we have stated, this information is very technical and requires specific knowledge in order to understand. Now, a national budget is very complex and voluminous in information; any summary that may be made thereof, would end up being a complex document. The document “budget law message” is a supporting document. However, for practical purposes, it can be considered a summary of the budget, but not a summary of the law, because as we have mentioned, it is an extensive and highly technical document.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “b” to maintain consistency of assumptions across countries, in light of the researcher’s and peer reviewer two’s comments.</p> | b |
| <p>61. Does the executive publish a “citizens budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <p>a. Yes, it publishes a citizens budget that is very informative.<br/> b. Yes, it publishes a citizens budget that is somewhat informative.<br/> c. Yes, but the citizens budget is not very informative.<br/> d. No, it does not publish a citizens budget.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p>  | a |

"Guía del Presupuesto 2009" (2009 Budget Guide)  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Guia\\_del\\_Ciudadano/Guia09.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Guia_del_Ciudadano/Guia09.pdf)

Comment:

The Ministry of the Treasury publishes a Budget Guide aimed at citizens. In said document, which is available over the Internet, an explanation is given of basic budget concepts, the priorities under which it was formulated and the most important details pertaining to the numbers.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** The Citizens Budget at the national or central government level does not exist as a legal term of art. At the local or municipal level, it is becoming institutionalized as a result of municipal autonomy, but it is not a mandatory public policy. What does exist, and it is produced by the Ministry of the Treasury, is a Guide to the Budget aimed at everyday citizens. In said document, which is available through Internet, an explanation is given of basic Budget concepts, the priorities the Budget was formulated under and the most important details pertaining to the numbers. This guide is a non-technical document targeted toward a broad audience and describes basic Budget elements: what it is, how is it prepared, etc, but at no time is this document considered a citizens budget.

**Government Comment:** Government did not dispute researcher's response.

|  |          |
|--|----------|
| <p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <p>a. Yes, thorough definitions of budget terms are provided.<br/> b. Yes, definitions are provided, but some details are excluded.<br/> c. Yes, some definitions are provided, but it lacks important details.<br/> d. No, definitions are not provided.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> “Guía del Presupuesto 2009” (2009 Budget Guide)<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Guia_del_Ciudadano/Guia09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Guia_del_Ciudadano/Guia09.pdf</a><br/> “Programa de educación fiscal – Glosario” (Program on Fiscal Education-Glossary)<br/> <a href="http://www2.mh.gob.sv/index.php/glosario.html">http://www2.mh.gob.sv/index.php/glosario.html</a><br/> “ABC de Hacienda” (ABCs of the Treasury)<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_PRINCIPAL/ABC_de_Hacienda">http://www.mh.gob.sv/portal/page/portal/MH_PRINCIPAL/ABC_de_Hacienda</a><br/> Program on Fiscal Education Portal<br/> <a href="http://www.edufis.mh.gob.sv/">http://www.edufis.mh.gob.sv/</a></p> <p><u>Comment:</u><br/> In the Citizens Budget guide, as new terms are used, their meaning is explained. Additionally, the Ministry of the Treasury has published a glossary including budget terms. It is also important to mention that it conducts a “Fiscal Education” program, whereby basic knowledge on fiscal and tax policy is disseminated.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Most technical and non-technical definitions included in the Budget are described in such a way that people can understand what they mean.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|--|----------|

|  |   |
|--|---|
| <p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ol style="list-style-type: none"> <li>Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.</li> <li>Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information.</li> <li>Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information.</li> <li>No, the right to access government information has not been codified into law, or this right does not include access to budget information.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>El Salvador does not have an access to public information law; therefore, access to budget information is not regulated. Consequently, it is not possible or is difficult to gain access to data with a higher degree of disaggregation. However, the country is expected to have a law of this type soon, since the congress is currently discussing two bills on the subject matter.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> El Salvador does not have a public information Access law. But, information pertaining to the budget of the nation or any institution of the state can be obtained through digital means by visiting:<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PR_ESUPUESTOS_ESTADO">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PR_ESUPUESTOS_ESTADO</a></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |
| <p>64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?</p> <ol style="list-style-type: none"> <li>In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.</li> <li>In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</li> <li>In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.</li> <li>In practice, no highly disaggregated expenditure information is available.</li> <li>Not applicable/other (please comment).</li> </ol>   | d |

|  |          |
|--|----------|
| <p><u>Citation:</u><br/> News report: Saca unveils austerity with new publicity. El Faro, May 12, 2008<br/> <a href="http://www.elfaro.net/secciones/Noticias/20080512/noticias1_20080512.asp">http://www.elfaro.net/secciones/Noticias/20080512/noticias1_20080512.asp</a></p> <p><u>Comment:</u><br/> Budget information in general is only available at aggregate levels. Civil society organizations and journalists have complained often about that when they request data on budget expenditure or revenue items. In the link above, mention is made of the case of the online newspaper El Faro, which was unable to gain access to the budget item for public outreach of the Office of the President of the Republic. It is important to mention that the new government, which took office in June 2009, is developing a fiscal transparency portal, which would be operational in 2010, and would make it possible to gain access to disaggregated information on the budget.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The information under each budget item of the ministerial portfolios of the state is general; it is not in disaggregated form because El Salvador does not have a public information Access law. Officials are not required to provide disaggregated information. In other words, whether or not disaggregated information is provided is left to the discretion of or up to the official or depends on the type of information that is requested. If the official believes that the information is sensitive or that it can be used to denounce corruption or implicate himself or herself, the information is not provided. Rarely do citizens request this type of disaggregated information, which is usually requested by the media and is mostly always denied by the official.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> |          |
| <p>65. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it from a ministry or agency?</p> <ol style="list-style-type: none"> <li>In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.</li> <li>In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</li> <li>In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.</li> <li>In practice, no highly disaggregated non-financial expenditure information is available.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p>  | <p>C</p> |

Example: Rural Community Cooperatives  
<http://www.redsolidaria.gob.sv/>

Comment:

Quite disaggregated non-financial information is found especially in social programs, such as the "Rural Community Cooperatives". (Note: in December 2009, the above referenced site was not on line.)

**Researcher Response to this Question was "c"**

**Peer Reviewer One Comment:** A more appropriate response to this question would be "d" because only in special cases the disaggregated information is available to the public.

**Peer Reviewer Two Comment:** Non-financial information is found at many offices of the government, particularly those linked to the social areas: health, education, etc. A lot of this information is available, but some is not. Once again, we go back to the fact that it is left to the discretion of officials to provide the information, as was mentioned under the previous question. One particular place where one can gain access to non-financial information is the source cited above, which is produced by a government institution linked to the social area.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "c" to maintain the consistency of the data across the countries. Some information is presented; therefore a "c" answer is appropriate.

## **Section Three: The Budget Process**

| <b>The Budget Process</b>  |   |
|--|---|
| <b>Executive's Formulation of the Budget</b>   |   |
| <p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> <li>a. The release date is set in permanent law.</li> <li>b. The executive announces the release date at least two months in advance.</li> <li>c. The executive announces the release date less than two months but more than two weeks in advance.</li> <li>d. The executive announces the release date two weeks or less before the release, or makes no announcement.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> Art. 67.2 of the Constitution: It is the job of the Council of Ministers: To prepare the Executive's Budget Proposal and submit it to the Legislative Assembly, at least three months prior to the beginning of the new fiscal year;<br/> Newspaper story: 2009 budget submitted to the Legislative Assembly<br/> <a href="http://www.elsalvador.org/Embajadas/eeuu/Prensa2.nsf/aa0d5ec55854eb918525698d006e2aca/cb5985b6cf370289852574d40063ea08?OpenDocument">http://www.elsalvador.org/Embajadas/eeuu/Prensa2.nsf/aa0d5ec55854eb918525698d006e2aca/cb5985b6cf370289852574d40063ea08?OpenDocument</a></p> <p><u>Comment:</u><br/> The Constitution establishes that the budget must be submitted three months prior to the beginning of the upcoming fiscal year. In other words, by September 30 at the latest. The tradition has been that on that exact day, the Minister of the Treasury submits the Executive's Budget Proposal to the Legislative Assembly, in a public ceremony before the media.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Said article says that: It is the job of the Council of Ministers: To prepare the Executive's Budget Proposal and submit it to the Legislative Assembly, at least three months prior to the beginning of the new fiscal year.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |

|  |          |
|--|----------|
| <p>67. Does the executive release to the public its timetable for preparation of the executive’s budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget’s formulation)?</p> <p>a. Yes, a detailed timetable is released to the public.<br/> b. Yes, a timetable is released, but some details are excluded.<br/> c. Yes, a timetable is released, but it lacks important details.<br/> d. No, a timetable is not issued to the public.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> 2010 Budget policy, schedule of activities, pg. 13<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The timeline is accessible to the public, even though it is not prepared for public knowledge. The timeline is more for the use of the technical experts of the institutions of the state in charge of preparing the institutional budget than for public use.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|--|----------|

|   |          |
|---|----------|
| <p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ul style="list-style-type: none"> <li>a. The executive adheres to the dates in its timetable.</li> <li>b. The executive adheres to most of the key dates in its timetable.</li> <li>c. The executive has difficulty adhering to most of the dates in its timetable.</li> <li>d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Based on the interviews we conducted, the institutions do adhere to the budget preparation and submission schedule. To a great extent, this is as a result of the fact that the penalty for not meeting the deadlines is that the Ministry of the Treasury sets the budget for any institution that does not make the deadlines.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

- a. Yes, the executive holds extensive consultations with a wide range of legislators.
- b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.
- c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.
- d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.
- e. Not applicable/other (please comment).

Citation:

Comment:

The Legislature's taking part in determining budget priorities is not covered in the law nor is it actually done in practice.

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** The executive has the authority to prepare the budget through the Council of Ministers and the Ministry of the Treasury submits the draft, without consulting the Legislative Body. At a particular point in time, the Legislative Body may request that observations be incorporated as part of the priority-establishing process, but the Constitution grants the authority to the Executive.

**Government Comment:** A more appropriate response to this question would be "a." Article 227 of the Constitution of the Republic provides that, for each fiscal year, the General Budget of the State shall contain the estimate of all revenue that is expected to be taken in pursuant to current law as of the date that it is voted on, as well as authorization of all expenditures that it deems appropriate to fulfill the purposes of the State. The Legislative Body may decrease or reject the requested credits. After the Executive's Budget Proposal is submitted, there is a phase called "Discussion," prior to approval of the budget by parliament. In this process, countless meetings are held to set priorities and determine the appropriateness of projected expenditures, in which the Treasury and Budget Committee are mainly involved. This committee is the body of the parliament designated for this purpose and to represent the full body of legislators.

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

d

70. Does the executive hold consultations with the public as part of its process of determining budget priorities?

- a. Yes, the executive holds extensive consultations with a wide range of constituencies.
- b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.
- c. Yes, the executive holds very limited consultations, involving only a few constituencies.
- d. No, the executive does not typically consult with the public as part of the budget preparation process.
- e. Not applicable/other (please comment).

Citation:

Comment:

The entire priority-setting process for the budget is conducted without the participation of the public.

d

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "e." The executive does not engage in citizen consultation to establish the priorities of the budget. See previous comment.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of the data across the countries, as per the researcher's and peer reviewer two's comment.

|  |          |
|--|----------|
| <p>71. When does the executive release a pre-budget statement to the public?</p> <ul style="list-style-type: none"> <li>a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year.</li> <li>b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year.</li> <li>c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year.</li> <li>d. The executive does not release a pre-budget statement.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> 2010 Budget policy<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf</a></p> <p><u>Comment:</u><br/> The Budget Policy document acts as a preliminary Budget; however, information on macroeconomic premises and financial forecasts are not public.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Traditionally, the executive submits the Pre-Budget Statement on September 30 each year. In other words, release takes place three months prior to the beginning of the upcoming fiscal year.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>a</p> |
|--|----------|

72. Does the pre-budget statement describe the government's macroeconomic and fiscal framework?

- a. Yes, an extensive explanation of the government's fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented; highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
- e. Not applicable/other (please comment).

Citation:

2010 Budget policy

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Politica\\_presupuestaria/pol\\_pre%202010.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf)

Comment:

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** Even though the Pre-Budget Statement does not include this information, the "Budget Message" presents the macroeconomic framework with concrete figures, but does not provide a detailed analysis of the indicators. With regard to fiscal matters, several statements or explanations are provided, but without any concrete figures.

**Government Comment:** A more appropriate response to this question would be "a." Information is provided in the Message attached to the Executive's Budget Proposal that is submitted to legislature, and it includes the Macroeconomic Climate and Fiscal Policy supporting the Budget. See details in the URL below:

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/PR\\_ESUPUESTOS\\_ESTADO/LPGE\\_2010\\_AL/Mensaje/Mensaje\\_2010.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PR_ESUPUESTOS_ESTADO/LPGE_2010_AL/Mensaje/Mensaje_2010.pdf)

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

d

|  |          |
|--|----------|
| <p>73. Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?</p> <ol style="list-style-type: none"> <li>a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> 2010 Budget policy<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Politica_presupuestaria/pol_pre%202010.pdf</a></p> <p><u>Comment:</u><br/> Policies and priorities are explained, but quantitative estimates are not released.</p> <p><b><u>Researcher Response to this question was “b”</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> I would prefer to choose “c.”</p> <p><b><u>Peer Reviewer Two Comment:</u></b> Policies and priorities guiding expenditures are only listed, but details are left out.</p> <p><b><u>Government Comment:</u></b> “Government did not dispute researcher’s original answer “b,” which the IBP modified for consistency purposes.”</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “c” to maintain the consistency of the data across the countries.</p> | <p>C</p> |
|--|----------|

| <b>Legislative Approval of the Budget</b>  |   |
|--|---|
| <p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> <li>The legislature receives the budget at least three months before the start of the budget year.</li> <li>The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.</li> <li>The legislature receives the budget less than six weeks before the start of the budget year.</li> <li>The legislature does not receive the budget before the start of the budget year.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> Art. 67.2 of the Constitution: It is the job of the Council of Ministers: To prepare the draft Budget of revenue and expenditures and submit it to the Legislative Assembly, at least three months prior to the beginning of the new fiscal year;<br/> Nota periodística: Entregan presupuesto 2009 a Asamblea Legislativa<br/> <a href="http://www.elsalvador.org/Embajadas/eeuu/Prensa2.nsf/aa0d5ec55854eb918525698d006e2aca/cb5985b6cf370289852574d40063ea08?OpenDocument">http://www.elsalvador.org/Embajadas/eeuu/Prensa2.nsf/aa0d5ec55854eb918525698d006e2aca/cb5985b6cf370289852574d40063ea08?OpenDocument</a></p> <p><u>Comment:</u><br/> Because it is required by law and, traditionally, the Executive's Budget Proposal is submitted on September 30; in other words, at least three months prior to the start of the upcoming fiscal year.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Executive's Budget Proposal is submitted four months in advance. The executive submits it on September 30 to the legislative body.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |
| <p>75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?</p> <ol style="list-style-type: none"> <li>Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.</li> <li>Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.</li> <li>Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.</li> <li>No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p>  | C |

|   |          |
|---|----------|
| <p>Newspaper article: Minister sees parties' opening up to budget<br/> <a href="http://www.elsalvador.com/mwedh/nota/nota_completa.asp?idCat=6351&amp;idArt=2916745">http://www.elsalvador.com/mwedh/nota/nota_completa.asp?idCat=6351&amp;idArt=2916745</a></p> <p><u>Comment:</u><br/> Traditionally, after the Executive's Budget Proposal is submitted, the Ministry of the Treasury testifies before the Treasury Committee to explain the make up of the budget. That always includes the rationale behind macroeconomic and fiscal assumptions. The hearings before the Treasury Committee are public. There is an adjacent room to the hearing room where journalists and the general public can watch and listen to the presentations.</p> <p><b><u>Researcher Response to this Question was "b"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> A more appropriate response to this question would be "c." Once the executive submits the Executive's Budget Proposal, the Treasury Committee of the Legislative Assembly discusses the budget and the macroeconomic and fiscal scenario. The press has access to these discussions, as do everyday citizens, since the hearings are public and the room is outfitted so that both the press and any citizen can watch the discussion, but at no time can he or she participate either with voice or vote in decisions that are made on the Executive's Budget Proposal.</p> <p><b><u>Government Comment:</u></b> "Government did not dispute researcher's original answer "b," which the IBP modified for consistency purposes."</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "c" to maintain consistency of assumptions across the countries.</p> |          |
| <p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ol style="list-style-type: none"> <li>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.</li> <li>Yes, a limited number of hearings are held in which testimony from the executive branch is heard.</li> <li>No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> Newspaper story: Health and Security defend their budget for 2009<br/> <a href="http://74.125.113.132/search?q=cache:SYyJoQlsa1IJ:www.laprensagrafi.ca.net/nacion/1166019.asp+ministros+defienden+presupuesto+2009+el-salvador&amp;cd=1&amp;hl=es&amp;ct=clnk&amp;gl=sv&amp;client=firefox-a">http://74.125.113.132/search?q=cache:SYyJoQlsa1IJ:www.laprensagrafi.ca.net/nacion/1166019.asp+ministros+defienden+presupuesto+2009+el-salvador&amp;cd=1&amp;hl=es&amp;ct=clnk&amp;gl=sv&amp;client=firefox-a</a></p>  | <p>b</p> |

Comment:

When the Treasury Committee of the Legislative Assembly begins the Budget discussion, it calls the heads of the main institutions to explain and defend the proposed allocations. The above-referenced article is about the heads of Health and Security coming before the committee to defend their budgets.

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "a." The heads of the institutions of the state are called before the Treasury Committee to explain the amounts requested for the ministry or agency they represent. Officials are not called to testify in any particular order, depending more on priorities and partisan interests. Usually the Minister of the Treasury, Health, Education are called. Oddly enough, the Chief of Staff of the Office of the President is called to defend and argue for the requested amounts, particularly bearing in mind that the President of the Republic is in charge of administering a secret appropriation for expenditures of the executive.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "b" to maintain consistency of assumptions across countries.

77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?

- a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
- b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
- c. Yes, a limited number of hearings are held in which testimony from the public is heard.
- d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
- e. Not applicable/other (please comment).

Citation:

Comment:

Based on the information reviewed, the Treasury Committee of the Legislative Assembly will prepare a list of guests from social organizations, who are invited to argue for or against a particular budget allocation.

C

**Peer Reviewer One Comment**

**Peer Reviewer Two Comment:** The Treasury Committee of the Legislative Assembly almost always prepares a list of guests from social organizations, who are invited to explain their views either for or against a particular appropriation. However, these opinions are never considered in setting priorities. Additionally, this participation is based on partisan interests. Everyday citizens are not invited and when a citizen attends the session, it is just to observe the discussion from an adjoining room through a glass window, without actually participating, much less, deciding budget priorities.

**Government Comment:** Government did not dispute researcher's response.

|   |          |
|---|----------|
| <p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> <li>a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.</li> <li>b. Yes, the committees release reports, but some details are excluded.</li> <li>c. Yes, the committees release reports, but they are not very informative.</li> <li>d. No, the committees do not release reports or do not hold public hearings.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No report is released by the Treasury Committee of the Legislative Assembly when the public hearings on the Budget are conducted.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Treasury Committee prepares reports on the hearings with government officials or special guests, but does not release these documents. Only the record and reports for internal use of the Committee are produced and they are rarely used by the full parliament for budget discussion.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|---|----------|

79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?

- a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.
- b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.
- c. Not applicable/other (please comment).

Citation:

Comment:

Secret expenditures are not identified in the budget at the aggregate level. In practice, there are secret or classified expenditure items; however, the Legislative body is not informed of them. See reference and comment under question 47.

b

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** Secret items for secret expenditures managed by the office of the president do not appear in the Executive's Budget Proposal or in the approved Budget. See comment under question 76 regarding the topic of secret budget expenditure items of the state.

**Government Comment:** A more appropriate response to this question would be "e." The Executive's Budget Proposal does not contain secret items, all national security and military intelligence expenditures are included; therefore, we believe that this question is not applicable. Please see comment under question 47.

**IBP Comment:** IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

80. Does the legislature have authority *in law* to amend the budget presented by the executive?

- a. Yes, the legislature has unlimited authority *in law* to amend the budget.
- b. Yes, the legislature has authority *in law* to amend the budget, with some limitations.
- c. Yes, the legislature has authority *in law* to amend the budget, but its authority is very limited.
- d. No, the legislature does not have any authority *in law* to amend the budget.
- e. Not applicable/other (please comment).

Citation:

Article 227 of the Constitution: The Legislative Body may decrease or reject requested credits, but never increase them.

Comment:

The Legislature can change the budget, by reducing some items, or eliminating them. It can also take away from one institution and add to another. The only thing it cannot do, or should not do, is increase overall total amounts.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's response.

b

|  |          |
|--|----------|
| <p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ul style="list-style-type: none"> <li>a. The approved budget includes program-level detail.</li> <li>b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).</li> <li>c. The approved budget includes only departmental totals.</li> <li>d. The approved budget includes less information than departmental totals or the approved budget is not released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Enacted Budget<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO</a><br/> Example: 2009 budget of the Ministry of Agriculture<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP4200-09.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/LP4200-09.pdf</a></p> <p><u>Comment:</u><br/> The Enacted Budget is set forth in detail at the level of the budgetary unit and lines of work for each institution.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|--|----------|

| <b>Executive's Implementation of the Budget</b>   |   |
|---|---|
| <p>82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ul style="list-style-type: none"> <li>a. In-year reports on actual expenditure are released at least every month.</li> <li>b. In-year reports on actual expenditure are released at least every quarter.</li> <li>c. In-year reports on actual expenditure are released at least semi-annually.</li> <li>d. In-year reports on actual expenditure are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/>See Summaries of Expenditures<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo</a></p> <p><u>Comment:</u><br/>The information is not detailed enough.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Enacted Budget is set forth in detail at the level of budgetary unit and line of work for each institution.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |

|  |   |
|--|---|
| <p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <p>a. Yes, in-year reports cover all expenditures.<br/> b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures.<br/> c. Yes, in-year reports cover less than two-thirds of expenditures.<br/> d. No in-year reports are released to the public.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Executive Summary of Expenditures, May 2009<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf</a><br/> Budget Bulletin, January-March/09<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | a |
| <p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <p>a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail.<br/> b. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs).<br/> c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals.<br/> d. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals.<br/> e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Executive Summary of Expenditures, May 2009<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf</a><br/> Budget Bulletin, January-March/09<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf</a></p> <p><u>Comment:</u><br/> It should be noted that there is no breakdown by institution in the</p> | c |

monthly reports of the Executive Body.

**Researcher Response to this Question was "c"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be "a." Information on the main ones, as well as the institutions that execute expenditures in the Social Area are included in the Budget Bulletin. For more detail, consult as an example:

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Bolletin\\_Presupuestario/Bolpre-Oct-Dic%2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Bolletin_Presupuestario/Bolpre-Oct-Dic%2009.pdf)

Additionally, in the executive summaries of the expenditures that are provided on a monthly basis, detailed information by institution and type of expenditure is presented, and it includes a detailed explanation of the main aspects pertaining to the process of Budget execution in each one of them. See the URL below:

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Resumen\\_Ejecutivo/Resumen%20Ejecutivo%20Febrero%202010.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20Febrero%202010.pdf).

**IBP Comment:** IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

- a. Yes, comparisons are made for all expenditures.
- b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.
- c. Yes, but comparisons are made for less than two-thirds of expenditures.
- d. No, comparisons are not made, or no in-year reports are released to the public.
- e. Not applicable/other (please comment).

Citation:

Executive Summary of Expenditures, May 2009

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Resumen\\_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf)

Budget Bulletin, January-March/09

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Boletin\\_Presupuestario/bolpre-Enr-Mar%2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf)

d

Comment:

No comparisons are drawn between executed and expected expenditure levels for the current period or for prior years.

**Researcher Response to this Question was “d”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “a.” It is not compared at disaggregated level. In the document “Analysis of the Public Expenditure by Management Areas, page 35, and exhibit 1 there is a comparison with the preceding year 2008.

**Peer Reviewer Two Comment:** No comparisons are drawn. Only executed expenditures appear.

**Government Comment:** Government did not dispute researcher’s response.

**IBP Comment:** IBP editors chose answer “d” to maintain the consistency of the data across the countries.

|   |   |
|---|---|
| <p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ol style="list-style-type: none"> <li>In-year reports on actual revenue collections by source of revenue are released at least every month.</li> <li>In-year reports on actual revenue collections are released at least every quarter.</li> <li>In-year reports on actual revenue collections are released at least semi-annually.</li> <li>In-year reports on actual revenue collections by source of revenue are not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Revenue statistics released by the Central Reserve Bank<br/><a href="http://www.bcr.gob.sv/?cdr=5&amp;lang=es">http://www.bcr.gob.sv/?cdr=5&amp;lang=es</a></p> <p><u>Comment:</u><br/>This is an interactive portal, where the user can make queries on fiscal statistics, including revenue by month or source.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The information is disaggregated, but is quite up-to-date.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |
| <p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ol style="list-style-type: none"> <li>In-year reports cover the actual revenue collections of all sources of revenue.</li> <li>In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.</li> <li>In-year reports cover actual revenue collections of less than two-thirds of revenue sources.</li> <li>In-year reports on actual revenue collections are not released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Revenue statistics released by the Central Reserve Bank<br/><a href="http://www.bcr.gob.sv/?cdr=5&amp;lang=es">http://www.bcr.gob.sv/?cdr=5&amp;lang=es</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The information is disaggregated, but is quite up-to-date.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>   | a |

|   |          |
|---|----------|
| <p>88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> <li>a. Yes, comparisons are made for all revenue sources.</li> <li>b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.</li> <li>c. Yes, but comparisons are made for less than two-thirds of revenue sources.</li> <li>d. No, comparisons are not made, or no in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/>Revenue statistics released by the Central Reserve Bank<br/><a href="http://www.bcr.gob.sv/?cdr=5&amp;lang=es">http://www.bcr.gob.sv/?cdr=5&amp;lang=es</a></p> <p><u>Comment:</u><br/>Comparisons can be drawn for the same period of the previous year. This is an interactive portal, where the user can make queries on fiscal statistics, including revenue by month or source.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> With the information that is available to the public, you can figure out those estimates.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|  |          |
|--|----------|
| <p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> <li>a. Yes, in-year reports on actual borrowing are released at least every month.</li> <li>b. Yes, in-year reports on actual borrowing are released at least every quarter.</li> <li>c. Yes, in-year reports on actual borrowing are released at least semi-annually.</li> <li>d. No, in-year reports on actual borrowing are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Central Reserve Bank – fiscal statistics<br/> <a href="http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001">http://www.bcr.gob.sv/?cat=1000&amp;name=Base%20de%20Datos&amp;lang=es#ancla1001</a></p> <p><u>Comment:</u><br/> This is an interactive portal, where the user can make queries on fiscal statistics.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Information is available for central government debt as well as total public debt. Both sources are for monthly and annual data.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|--|----------|

90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?
- Yes, extensive information related to the composition of government debt is presented.
  - Yes, key additional information is presented, but some details are excluded.
  - Yes, some additional information is presented, but it lacks important details.
  - No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released.
  - Not applicable/other (please comment).

Citation:

Executive Summary of Expenditures, May 2009  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Resumen\\_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Resumen_Ejecutivo/Resumen%20Ejecutivo%20de%20mayo%20de%202009.pdf)  
 Budget Bulletin, January-March/09  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_PRESUPUESTO/Boletin\\_Presupuestario/bolpre-Enr-Mar%2009.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/Boletin_Presupuestario/bolpre-Enr-Mar%2009.pdf)

Comment:

Some information is included when new debt is incurred.

**Researcher Response to this Question was "c"**

**Peer Reviewer One Comment:** I agree, there are some data, but it is not available for example the interest rate, in most cases, my answer would be "c."

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "b." The information is available but important details are omitted.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "c" as per Peer Reviewer Two's comment: information is available, but important details are excluded.

C

|  |   |
|--|---|
| <p>91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?</p> <ol style="list-style-type: none"> <li>Reports are released 1 month or less after the end of the period.</li> <li>Reports are released 2 months or less (but more than 1 month) after the end of the period.</li> <li>Reports are released more than 2 months after the end of the period.</li> <li>In-year reports are not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Based on the verification conducted by the researcher between July and September 2009.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>   | b |
| <p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ol style="list-style-type: none"> <li>Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget.</li> <li>Yes, the mid-year review includes a discussion of the economy, but it lacks some details.</li> <li>Yes, the mid-year review includes a discussion of the economy, but it lacks important details.</li> <li>No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No Mid-Year Review is produced in El Salvador.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |

|   |   |
|---|---|
| <p>93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?</p> <ol style="list-style-type: none"> <li>Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.</li> <li>Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.</li> <li>Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.</li> <li>No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No Mid-Year Review is produced in El Salvador.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |
| <p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ol style="list-style-type: none"> <li>The mid-year review includes program-level detail for expenditures.</li> <li>The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).</li> <li>The mid-year review includes only departmental totals (or functional totals).</li> <li>The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No Mid-Year Review is produced in El Salvador.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p>  | d |

|  |   |
|--|---|
| <p>95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?</p> <ol style="list-style-type: none"> <li>Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.</li> <li>Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.</li> <li>Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.</li> <li>No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No Mid-Year Review is produced in El Salvador.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |
| <p>96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain <i>minimal</i> level specified in law or regulation)?</p> <ol style="list-style-type: none"> <li>Yes, the executive seeks approval from the legislature before shifting funds between administrative units.</li> <li>Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.</li> <li>Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.</li> <li>No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below).</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Articles of the 2009 Budget Law, see Article 2<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/ArticulosLP2009.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_PRESUPUESTO/PRESUPUESTOS_ESTADO/LPGE09FINAL/Presupuestos/ArticulosLP2009.pdf</a></p> <p>Opinion piece: The sense of proportion. El Diario de Hoy, December 13, 2009.<br/><a href="http://www.elsalvador.com/mwedh/nota/nota_completa.asp?idCat=13734&amp;idArt=4340970">http://www.elsalvador.com/mwedh/nota/nota_completa.asp?idCat=13734&amp;idArt=4340970</a></p> <p>Newspaper article: El Salvador will have more discretionary funds.</p> | d |

[http://www.elsalvador.com/mwedh/nota/nota\\_completa.asp?idCat=6351&idArt=4351205](http://www.elsalvador.com/mwedh/nota/nota_completa.asp?idCat=6351&idArt=4351205)

**Comment:**

Even though the Constitution establishes that shifts [of funds] between administrative units must be made by the Legislature, there are exceptions for the Treasury to be able to shift funds between administrative units. See article 2 of the Budget Law, where exceptions are authorized.

In practice, the exception becomes law. Except for changes to the Budget that involves revenue, funds tied to loans or changes to institutions can't be modified by the Executive. The Ministry of the Treasury does not need the approval of the legislature to make changes to the Budget. It is important to note also that in the budget execution reports, the Executive's execution figures are presented on a single line, without any breakdown by institution. Because of this, neither the Legislature nor the public find out about the changes that the Ministry of the Treasury carries out. This issue has become greatly important as of the last questionnaire to the present time. Ex-President Elias Antonio Saca is accused of having abused the mechanism of the exceptions to make changes to the Budget, and of significantly increasing, in this way, expenditures of the office of the president of the Republic (See newspaper articles referenced above).

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** Normally the Assembly approves funds to reinforce some areas, particularly in emergencies, but the Ministry of Finance has limited action on the shifting funds. My answer would be "b."

**Peer Reviewer Two Comment:** The Constitution establishes that shifts between administrative units have to be authorized by the Legislature. However, there are exceptions for the Treasury to be able to shift funds between administrative units, without consulting the legislature. [Translator's note: original unclear] Furthermore, Article 2 states that the legislative body dialogues with the Ministry of the Treasury to authorize transfers.

**Government Comment:** Government did not dispute researcher's response.

**Researcher Comment:** My suggestion is to keep the response "d." This is a matter, which even very recently, has become an important public issue, and that may explain the difference with the 2006 Survey. That is why some press articles are included.

**IBP Comment:** IBP editors chose answer "d" as per the researcher's comments.

|  |          |
|--|----------|
| <p>97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?</p> <ul style="list-style-type: none"> <li>a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.</li> <li>b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.</li> <li>c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.</li> <li>d. No, the procurement process was not open and competitive in practice.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Example:<br/> Law Enforcement Studies Foundation: President Saca asked to investigate charges of irregularities in the Secretariat of Youth<br/> <a href="http://fespad.org.sv/wordpress/?p=132">http://fespad.org.sv/wordpress/?p=132</a></p> <p><u>Comment:</u><br/> There are charges reported by the press of government purchases for which an open and competitive process has not been followed. In the example cited above, there was evidence of purchase of promotional materials which was not conducted through an open and competitive process.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Most irregularities come to the attention of the public through newspaper stories.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>b</p> |
|--|----------|

|   |          |
|---|----------|
| <p>98. When does the legislature typically approve supplemental budgets?</p> <ul style="list-style-type: none"> <li>a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).</li> <li>b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>Supplemental Budgets are approved before the expenditures can be applied.</p> <p><b><u>Peer Reviewer One Comment:</u></b> I agree. The Governmental areas present fund requirements to the Ministry of Finance, then, supplemental budgets are proposed to the Legislature, I agree with the answer "a."</p> <p><b><u>Peer Reviewer Two Comment:</u></b> Supplementary budgets are approved before operational expenditures of the portfolios of the ministries of the state can be executed. Supplemental budgets are used to finance the area of social expenditures. These supplemental budgets require a qualified majority since international loans are included to finance that social expenditure.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>a</p> |
|---|----------|

99. In most years, how large are supplemental budget requests relative to the size of the original budget?

- a. Supplemental budgets are generally equal to 2 percent or less of the original budget.
- b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.
- c. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget.
- d. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.
- e. Not applicable/other (please comment).

Citation:

Comment:

In the past few years, public reports on supplemental budgets have not been produced.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** Newspaper reports or stories and press conferences with officials in charge of public finance all support the statement, but there are no public reports on the topic at the official level.

**Government Comment:** Government did not dispute researcher's response.

d

|   |          |
|---|----------|
| <p>100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ul style="list-style-type: none"><li>a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.</li><li>b. Expenditures are approved after the funds are expended, but before the end of the fiscal year.</li><li>c. Expenditures are approved after the end of the fiscal year, for example in the next budget.</li><li>d. Such expenditure takes place without legislative approval.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>There is a budget item for unforeseen expenditures within the budget of the Ministry of the Treasury, which is replenished with the proceeds of the application of austerity measures. The Executive decides how to distribute the funds from that appropriation and the Legislative Assembly's authorization is required, pursuant to Article 2 of the 2009 Budget Law.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>d</p> |
|---|----------|

| <b>Executive's Year-end Report and the Supreme Audit Institution</b>  |   |
|---|---|
| <p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget's actual outcome for the year?</p> <ol style="list-style-type: none"> <li>The report is released six months or less after the end of the fiscal year.</li> <li>The report is released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>The report is released more than 12 months after the end of the fiscal year.</li> <li>The executive does not release a year-end report.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> Article 168 of the Constitution: Powers and obligations of the President of the Republic: ... 6. Submit, through the Ministers, to the Legislative Assembly, within two months after the end of each year, the report on the business of Public Administration during the year that has elapsed. The Ministry of the Treasury shall submit as well, within the three months following the end of each fiscal period, the general accounting statement of the last budget and a statement of the situation of the Public Treasury and Fiscal Assets.<br/> 2008 Financial Management Report of the State<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a></p> <p><u>Comment:</u><br/> The provision of the constitution that is cited above is fulfilled. The Ministry of the Treasury issues a financial report of the previous year in March, posting it on Internet prior to the mid-year point.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | a |
| <p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ol style="list-style-type: none"> <li>Yes, all data on actual outcomes have been audited.</li> <li>At least two-thirds, but not all, of the data on actual outcomes have been audited.</li> <li>Less than two-thirds of the data on actual outcomes have been audited.</li> <li>None of the data on actual outcomes has been audited, or a year-end report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/> See Records of the proceedings of the SAI</p>  | d |

[http://www.cortedecuentas.gob.sv/index.php?option=com\\_docman&task=cat\\_view&gid=34&Itemid=7](http://www.cortedecuentas.gob.sv/index.php?option=com_docman&task=cat_view&gid=34&Itemid=7)

Comment:

There is no information available on audits conducted on budget execution and outcomes. Usually, when the Year-End Report is submitted, there is no information in it on expenditures that have been audited.

**Researcher Response to this Question was “d”**

**Peer Reviewer One Comment:** The Annual Report of the Supreme Audit Institution states that the SAI is the institution in charge of ensuring completion and execution of the budget. I would say that the coverage of the institution is complete, that is SAI covers all actual outcomes, meaning that they have been audited. My answer is an “a.”

**Peer Reviewer Two Comment:** There is no information available about audits conducted on budget execution and outcomes. Usually, when the year-end report is submitted, there is no information in it on expenditures that have been audited. There are audit reports of each separate institution. For example, the SAI puts notices in newspapers for municipal officials in charge of management of public funds to pick up their audit examinations performed during the current fiscal year.

**Government Comment:** Government did not dispute researcher’s response.

**IBP Comment:** IBP editors chose to keep answer “d” to maintain consistency of assumptions across countries. Peer Reviewer One’s comment does not refer to the Year-End Report but to a SAI report. It is interesting but does not support a change in answer.

103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

2008 Financial Management Report of the State

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_CONTABILIDAD\\_GUBERNAMENTAL/Informe\\_financiera/informe\\_2008.html](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html)

Chapter II – Outcomes of Budget Execution of the Public Sector, pg. 27-41

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_CONTABILIDAD\\_GUBERNAMENTAL/Informe\\_financiera/inf\\_2008/files/CAPITULO\\_II\\_2008.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/CAPITULO_II_2008.pdf)

Comment:

The Year-End Report includes an explanation of the differences between the budget that was voted on, changes made during the year and final expenditures.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** The Year-End Report includes an explanation of the differences between the budget that was voted on, changes made to it during the year and final expenditures.

**Government Comment:** Government did not dispute researcher's response.

b

104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?

- a. The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.
- b. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).
- c. The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).
- d. No explanation of the differences is provided, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

Chapter II – Outcomes of Budget Execution of the Public Sector, pg. 27-41

[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_CONTABILIDAD\\_GUBERNAMENTAL/Informe\\_financiera/inf\\_2008/files/CAPITULO\\_II\\_2008.pdf](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/CAPITULO_II_2008.pdf)

b

Comment:

Explanations on the differences are given at the level of totals from primary units (departmental totals). More detailed information can be found in the annexes to the Year-End Report.

**Peer Reviewer One Comment:** On the website, I only found the totals by area, at aggregate level only. The report includes explanations, but I could not find more detailed information in the annual reports. Anyway, I agree with the answer "b."

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's response.

|   |          |
|---|----------|
| <p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <p>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</p> <p>c. Yes, some explanation is presented, but it lacks important details.</p> <p>d. No, an explanation is not presented, or such a report is not released.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> 2008 Financial Management Report of the State<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a><br/> Chapter II – Outcomes of Budget Execution of the Public Sector, pg. 27-41<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/CAPITULO_II_2008.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/CAPITULO_II_2008.pdf</a></p> <p><u>Comment:</u><br/> In addition to presenting the amounts the budget was changed by, the Year-End Report includes a detailed explanation of the changes.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|  |   |
|--|---|
| <p>106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>2008 Financial Management Report of the State<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a></p> <p><u>Comment:</u><br/>The Year-end Report does not explain the differences between macroeconomic forecasts and the outcomes of the year.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | d |
| <p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>2008 Financial Management Report of the State<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a></p> <p><u>Comment:</u><br/>The Year-End Report is only financial.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p>  | d |

|  |          |
|--|----------|
| <p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ul style="list-style-type: none"> <li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> 2008 Financial Management Report of the State<br/> <a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a></p> <p><u>Comment:</u><br/> The Year-End Report is only financial.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>d</p> |
|--|----------|

109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

2008 Financial Management Report of the State  
[http://www.mh.gob.sv/portal/page/portal/MH\\_Finanzas/MH\\_CONTABILIDAD\\_GUBERNAMENTAL/Informe\\_financiera/informe\\_2008.html](http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html)

Comment:

There are no explanations in the Year-End Report on forecasts and outcome achieved through the budget with regard to the impoverished population. The references to the changes or execution of social programs are expressed in the same terms as other types of transactions.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** The reports that are produced annually are exclusively on financial data. They do not include other data or information on benefits to marginal or extremely poor groups. The institutions of the government linked to the social area issue these reports on an annual basis but this information is not included in the year-end budget report.

**Government Comment:** Government did not dispute researcher's response.

d

|  |   |
|--|---|
| <p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key issues, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information is not presented on extra-budgetary funds, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>CHAPTER IV – Budget and Financial Situation of Special funds, Special Activities Funds and Supplemental Budgets<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/informe_2008.html</a><br/>Annex – Group IV – Status and Balance Sheets of Special Funds, Special Activities Funds and Supplemental Budgets<br/><a href="http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/GRUPO_IV_2008.pdf">http://www.mh.gob.sv/portal/page/portal/MH_Finanzas/MH_CONTABILIDAD_GUBERNAMENTAL/Informe_financiera/inf_2008/files/GRUPO_IV_2008.pdf</a></p> <p><u>Comment:</u><br/>The Year-End Report includes a complete chapter on extra-budgetary funds, including an annex with disaggregated reports.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | a |
| <b>The Independence and Performance of the Supreme Audit Institution</b>   |   |
| <p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> <li>Final audited accounts are released to the public six months or less after the end of the fiscal year.</li> <li>Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year.</li> <li>Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>Record of proceedings of the SAI<br/><a href="http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=34&amp;Itemid=7">http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=34&amp;Itemid=7</a></p>   | d |

Comment:

The public is not informed of when audits take place for the respective budget period. Interviews with government auditors revealed that there is no single parameter of when audits are conducted on budget execution; in some cases it is within the 12 following months and in others beyond that time period. In the record of proceedings of the SAI there is no reference to the budget periods that audits are supposed to be for.

With regard to the financial report, the SAI issues a decision stating that audit reports meet the government accounting standards and other legal requirements.

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** The SAI normally takes several months to finish its audits, especially when they found problems. The reports I agree, never are released to the public "d."

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "c." There is no deadline set by law to submit audits to the government offices. It can take between one and two years, depending on the volume of information, staffing of the SAI assigned and the political partisan interests which are at stake. As was mentioned above, in the record of proceedings of the SAI, there are no references to the budget periods that audits are supposed to be for; only an opinion is issued as to whether the Audit Reports meet government accounting standards and other legal requirements.

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "d" to maintain the consistency of assumptions across countries. An audit report is not released to the public, therefore the appropriate answer is "d."

112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?

- a. All expenditures have been audited and the reports released to the public.
- b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited.
- c. Expenditure representing less than two-thirds of expenditure have been audited.
- d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year.
- e. Not applicable/other (please comment).

Citation:

Record of the proceedings of the SAI

[http://www.cortedecuentas.gob.sv/index.php?option=com\\_docman&task=cat\\_view&gid=34&Itemid=7](http://www.cortedecuentas.gob.sv/index.php?option=com_docman&task=cat_view&gid=34&Itemid=7)

Comment:

See comment to Question 111. This information is not released to the public.

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** In the Annual report of the Audit Agency (Supreme Audit Institution) for the year 2008, almost 2000 audits were performed but there is not more information. I agree with "d."

**Peer Reviewer Two Comment:** There is no deadline set by law to submit audits to the government offices. It can take between one and two years, depending on the volume of information, staffing of the SAI assigned. It is not possible to identify what percentage is audited over the two years based on the description above.

**Government Comment:** Government did not dispute researcher's response.

d

|  |          |
|--|----------|
| <p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ul style="list-style-type: none"> <li>a. The annual audit report(s) includes one or more executive summaries summarizing the report's content.</li> <li>b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year.</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Audit Report was not available, nor was the specific audits of particular institutions or programs.</p> <p><b><u>Researcher Response to this Question was "b"</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b> The annual report only presents general information. It does not includes specific data or details. I agree, there is not included executive summaries "b."</p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Audit Reports are not released to the public. They are only submitted to the officials in charge of executing state resources (for example, municipalities). This submission is carried out by public notice through the media, but when a citizen requests them he or she is not handed a copy. The Audit Report was not available, nor was the specific audits of particular institutions or programs.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>b</p> |
|--|----------|

|   |          |
|---|----------|
| <p>114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?</p> <p>a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.</p> <p>b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u><br/> Article 196 of the Constitution<br/> The SAI of the Republic, for fulfillment of its jurisdictional functions, shall be divided up into an Appeals Chamber and the Trial Chambers as established by law. The appeals chamber shall be made up of the President of the SAI and two Magistrates, the number of which may be increased by law. These officials shall be elected for a period of three years, and may be reelected, and may not be removed from their office except for just cause, by decision of the Legislative Assembly. The Appeals Chamber shall appoint, remove, grant leave and accept the resignation of the judges of the Trial Chambers.</p> <p><u>Comment:</u><br/> The head of the SAI, called the Court of Accounts, can only be removed by the Legislative Assembly.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|   |   |
|---|---|
| <p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> <li>Yes, the SAI releases to the public audits of all extra-budgetary funds.</li> <li>Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.</li> <li>Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.</li> <li>No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The audits conducted by the SAI are not released to the public.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p>   | d |
| <p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ol style="list-style-type: none"> <li>The SAI has full discretion to decide which audits it wishes to undertake.</li> <li>The SAI has significant discretion, but faces some limitations.</li> <li>The SAI has some discretion, but faces considerable limitations.</li> <li>The SAI has no discretion to decide which audits it wishes to undertake.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u><br/>See Law of the SAI, Article 5<br/><a href="http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=3&amp;Itemid=7">http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=3&amp;Itemid=7</a></p> <p><u>Comment:</u><br/>The SAI has the independence to decide the entities, programs or activities that it shall subject to audit or another type of examination.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | a |

117. Who determines the budget of the Supreme Audit Institution?

- a. The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- b. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- c. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- d. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- e. Not applicable/other (please comment).

Citation:

See Law of the SAI, Article 2

[http://www.cortedecuentas.gob.sv/index.php?option=com\\_docman&task=cat\\_view&gid=3&Itemid=7](http://www.cortedecuentas.gob.sv/index.php?option=com_docman&task=cat_view&gid=3&Itemid=7)

Report: Social area with increases of 10% in the 2009 budget

<http://74.125.93.132/search?q=cache:mfHi8gAlskJ:www.laprensagrafica.net/lodeldia/20081002/18590.asp+aumenta+presupuesto+corte+de+cuentas&cd=4&hl=es&ct=clnk&gl=sv&client=firefox-a>

Comment:

Only the Legislative Assembly can cut the SAI's Budget. Currently, the amount covers the needs of that institution. In the 2009 budget, it received an increase which was the result of an increase proposed by the head of the SAI.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** Even though the SAI is independent from the Executive and prepares its own Budget, the Legislative Body approves the amount for its operations.

**Government Comment:** Government did not dispute researcher's response.

a

|   |          |
|---|----------|
| <p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ol style="list-style-type: none"> <li>a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate.</li> <li>b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate.</li> <li>c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate.</li> <li>d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The SAI has specialized staff to audit the security sector. It has a unit in charge of monitoring this sector. However, it must be noted that, as of this date, there have been no external evaluations on the performance of said unit and its staff.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | <p>a</p> |
|---|----------|

|   |          |
|---|----------|
| <p>119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?</p> <ul style="list-style-type: none"> <li>a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.</li> <li>b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.</li> <li>c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.</li> <li>d. No, the SAI does not maintain any formal mechanisms of communication with the public.</li> <li>e. Not applicable.</li> </ul> <p><u>Citation:</u><br/>Record of the proceedings of the SAI, pg. 35<br/><a href="http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=34&amp;Itemid=7">http://www.cortedecuentas.gob.sv/index.php?option=com_docman&amp;task=cat_view&amp;gid=34&amp;Itemid=7</a></p> <p><u>Comment:</u><br/>During 2008, according to the record of proceedings of the SAI, 173 complaints were filed. 170 of these were certified to the appropriate unit, and 3 were in the process of review. It must be mentioned that the complaint mechanism does not include any notice to the complainant as to whether or not the complaint was admitted or rejected or of the results of the investigations.</p> <p><b><u>Peer Reviewer One Comment:</u></b> In the annual report of the SAI there is a chapter devoted to complaints and other communications from the public "a."</p> <p><b><u>Peer Reviewer Two Comment:</u></b> Additionally, the SAI has a web page where it explains in detail the form or the procedures to file a complaint.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>a</p> |
|---|----------|

|   |          |
|---|----------|
| <p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ul style="list-style-type: none"> <li>a. Yes, all audit reports are scrutinized.</li> <li>b. Yes, most audit reports are scrutinized.</li> <li>c. Yes, some audit reports are scrutinized.</li> <li>d. No, audit reports are not scrutinized.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u><br/> Example:<br/> News story: Court audits tax payments of oil companies<br/> <a href="http://archive.laprensa.com.sv/20070329/economia/746901.asp">http://archive.laprensa.com.sv/20070329/economia/746901.asp</a></p> <p><u>Comment:</u><br/> Even though the legislature has the power to review the Audit Reports, there is no mechanism or regular practice for this purpose. Occasionally, the Legislative Assembly requests the SAI to inform it on particular matters, and the practice has been that it responds to said requests. When the SAI submits audit reports to the legislature, the public may have access to them by requesting them from a congressman or congresswomen.</p> <p><b><u>Peer Reviewer One Comment:</u></b> Recently in the legislature an initiative to audit the SAI was discussed, but it did have any results, when the reports of important findings are informed to the legislature, but only by its requirement. The answer is the most appropriate "c."</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher's response.</p> | <p>C</p> |
|---|----------|

|   |   |
|---|---|
| <p>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ul style="list-style-type: none"> <li>a. Yes, the executive reports publicly on what steps it has taken to address audit findings.</li> <li>b. Yes, the executive reports publicly on most audit findings.</li> <li>c. Yes, the executive reports publicly on some audit findings.</li> <li>d. No, the executive does not report on steps it has taken to address audit findings.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>The Executive does not report on the actions based on the audit recommendations.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The executive does not release any report on this subject. The Legislative Body, in some instances, creates special committees to investigate, but this practice is more a response to political partisan interests, than an institutional practice.</p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p> | d |
| <p>122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?</p> <ul style="list-style-type: none"> <li>a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.</li> <li>b. Yes, a report is released, covering key audit recommendations, but some details are excluded.</li> <li>c. Yes, a report is released, but it lacks important details.</li> <li>d. No, a report is not produced or it is prepared for internal purposes only (please specify).</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u><br/>No report is produced for the public accounting for the measures taken by the government to address the audit recommendations.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Government Comment:</u></b> Government did not dispute researcher’s response.</p>   | d |

123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?

- a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs.
- b. Yes, legislators are provided audit reports on secret items, but some details are excluded.
- c. Yes, legislators are provided audit reports on secret items, but they lack important details.
- d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).
- e. Not applicable/other (please comment).

Citation:

Comment:

There are no formal mechanisms for the Legislature to receive and follow up on Audit Reports of the security sector and secret programs.

d

**Researcher Response to this Question was "d"**

**Peer Reviewer One Comment:** The legislature can solicit to SAI that sends the reports to him on the police, security, and army. It is a legal power. Secret expenses are not audited. My answer would be "a" but I want to make clear that the reports must be requested by the legislature.

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's response.

**IBP Comment:** IBP editors chose answer "d" to maintain consistency of assumptions across countries. As per researcher's and peer reviewer one's comment, secret expenses are not audited, which supports answer "d."