

## **STANDPOINT**

**from**

Assoc. Prof. Dr. **Radostin Vazov** , the **Higher School of Insurance and Finance** of the materials submitted for participation in the competition to occupy the academic position "**associate professor** " in the **Higher School of Insurance and Finance**, area of higher education 3. Social, economic and legal sciences, professional direction 3.8. Economics (Budget Management and Innovative Budget Methods)

In the competition for "docent", announced in the State Gazette, no. 52 of 07/05/2022 and on the website of the Higher School of Insurance and Finance - Sofia, as the only candidate participating is Dr. James Borislavov Iolovski, part-time assistant at the Higher School of Insurance and Finance - Sofia.

### **1. General presentation of the received materials Subject :**

By order No. 372 of 10.11.2022 of the Rector of the Higher School of Insurance and Finance, Prof. Doctor of Law Boris Velchev, I have been appointed as a member of the scientific jury of a competition for the academic position of "associate professor" at VUZF in the field of higher education in the field of higher education 3. Social, economic and legal sciences, professional direction 3.8. Economics (Budget management and innovative budget methods). Only one candidate submitted documents to participate in the announced competition: Dr. James Borislavov Iolovski from the Higher School of Insurance and Finance electronic set of materials presented by Dr. James Borislavov Iolovski is in accordance with the Regulations for the Development of the Academic Staff of VUZF and includes the following documents:

1. Application for admission to the competition
2. professional autobiography
3. Diploma of completed higher education
4. ONS Diploma "Doctor"
5. Certificate of Scientific Title "Associate Professor"
6. List of publications, together with the publications themselves for participation in the contest

7. Thematic summaries of scientific publications and developments
8. List of contributions in scientific works
9. Reference for citations
10. Certificate of compliance with national requirements
11. Criminal record certificate and medical certificate
12. Reference for additional indicators

For the purposes of this competition, the candidate has published a total of 18 scientific works, namely the main habilitation work - a monograph, a book on the dissertation work, articles and reports. Of these, 13 are independent works and 5 co-authored. There are studies, articles and scientific reports in the cited fields. Some of the publications are in English.

## **2. Brief biographical data of the applicant**

James Borislavov Iolovski was born in 1990. He graduated from the National Commercial High School in the city of Plovdiv, holds a bachelor's degree in "Finance" and a master's degree in "Accounting" with a specialization in "Financial Reporting" at UNSS, Sofia. In 2019, he acquired the educational and scientific degree Doctor of Economics, after completing full-time doctoral studies at the Department of "Accounting and Analysis" of the UNSS, with a defended dissertation on the topic "Theoretical-methodological aspects of budgeting in non-profit organizations (on the example of a foundation)". Since 2018, James Borislavov Iolovski has been working as a chief expert-associate in the Fiscal Council of the Republic of Bulgaria. In parallel, the candidate for associate professor is also a part-time teacher at VUZF. He also works as a consultant, teacher in foundations and a private school.

## **3. General characteristics of the applicant's activity**

James Borislavov Iolovski is a lecturer in public finance and tax management, fundamentals of finance, economics, financial management (in English) and public finance (in English).

James Iolovski is a chief expert associate at the Fiscal Council of Bulgaria. Performs a number of fiscal analyses, prepares motivated opinions on strategic budget and reporting documents, monitors compliance with numerical fiscal rules. James Iolovski participates in a number of conferences and expert meetings at the national and European level. It also conducts research and develops analytical materials.

It can be noted that Dr. James Iolovski is an accomplished university scientist, supervisor and manager, teacher and good practitioner in the field of economics, in particular the management of a

pension insurance company, the management of supplementary pension funds and the management of a life insurance company.

#### **4. Evaluation of the obtained scientific and scientific-applied results**

Based on the information provided by Dr. James Iolowski, the following findings can be made. The candidate's research, both in terms of volume and quality, is in accordance with ZRASRB, the Regulations for its application and that of VUZF, and for individual positions even exceed the requirements laid down in them. The candidate has a series of articles in indexed and refereed international periodicals.

The scholarly work of Dr. James Iolovsky demonstrates knowledge of the important issues in the chosen field of economics. Acquaintance with the habilitation work allows one to assess that the goal of the research has been achieved, and the resulting tasks have received adequate solutions. The key thesis of the presented work is proven.

The presented monograph was developed in a total volume of 168 printed pages, of which 8 are appendices. The paper contains an introduction, three chapters, a conclusion, a list of figures and tables, a bibliographical reference and an appendix.

The relevance and significance of the research is argued in the introduction. The topic is generally relevant given the dynamic improvement of budgeting methods as a result of scientific and technological development. The role and importance of this process is increasing today due to the various challenges caused by the COVID-19 pandemic, the military conflict between the Russian Federation and Ukraine, the energy crisis and high levels of inflation.

The object and subject of the study are clearly and precisely defined in the introduction. The object is budgetary practices in the public sector, the subject is the influence of various groups of factors. The goals, sub-goals and tasks of the research are defined. The main objective is the identification of various factors influencing the development of budget management in the public sector and an assessment of the intensity of their effect. The thesis is formulated that there is a need to optimize the budget management in the public sector, related to the adaptation to the increasingly dynamically changing conditions of the environment. The limitations of the study are comprehensively stated. In the development of the work, Dr. Iolovski used normative acts and literature, current and existing as of 15.09.2022. To write the presented work, the author used 68 sources in Bulgarian and in English. 19 figures and 25 tables are included.

The work contains three chapters, each with a specific problem focus. The first chapter has a scientific-theoretical character, the Second - scientific-applied, and the Third is an empirical study - an expert assessment. A summary of the contents is presented at the beginning of each chapter. The

presented work has a balanced structure in terms of its individual parts. It is written according to the requirements of scientific style. The exposition of each of the parts is coherent and logically structured.

The first chapter is entitled "Factors of impact on budgetary practices". It was developed in a volume of 43 pages. In it, the author successfully implements a brief historical review, but with an emphasis on the functions that the budget performed. The need for their expansion is seen as an intrinsic factor for the evolution of budgeting. Budgetary methods specific to the public sector are presented in detail. Those that are typical of the private sector have also been examined with a view to borrowing individual principles that would contribute positively. The author presented his views on the classification of budget methods, proposing a matrix model depending on the type of data used and the goals to be achieved.

Based on the conclusions drawn, Dr. Iolovski summarizes the various functions in the direction of which the application of budgeting has expanded over time. In continuation of this issue, he also proposes updating the concept of budget to reflect the trends presented in the work.

Two examples of external impact factors are considered - the fiscal rules and the Green Deal. The first of them imposes limits on budget management, and the second requires the development of a new methodology. Based on his observations of their influence, the author proposes a model for consistent assessment of the impact of such factors on the budget process.

The second chapter is entitled "Influence of external factors and extraordinary events on budgetary practices in Bulgaria" and is spread over a volume of 52 pages. It is central to the study. It has a scientific and applied nature, as the analysis of budget management in our country is related to various theoretical and normative positions. In the first part of the chapter, the author summarizes the features of the budget process in Bulgaria. Subsequently, a comparative analysis of its progress under standard and extraordinary conditions is presented, in order to establish the effect of the impact of the latter.

The second part of the chapter is devoted to macroeconomic forecasting. The essential importance of forecasts is considered as the basis and motives for developing state budgets. Again, a comparative analysis of forecasting under standard conditions and under conditions of uncertainty was carried out, and in addition to the expectations of the Ministry of Finance, those of the BNB were also included. The accuracy of the forecasts was established by measuring the deviations from the reported data.

In the third part of the chapter, the dynamics of three main budget parameters - general level of revenues, general level of expenses and budget balance - are studied. They have been examined in two three-year periods - under standard and under extraordinary conditions. A change in the course

of the fiscal policy in our country has been established, which becomes possible as a result of the derogation of the numerical fiscal rules and political processes.

The third chapter is entitled "Expert assessment of the impact of contemporary phenomena and trends on budgetary practices in Europe". It was developed in a volume of 40 pages and is an empirical study - an expert assessment. 16 representatives of independent fiscal institutions in European Union countries participated in it, of which 10 are experts and 6 are members. Through the expert assessment, the low degree of dissemination in practice of the presented innovative budgeting methods was confirmed. Various influencing factors on the budget process have been investigated. On the one hand, there are external requirements or priorities – such as numerical fiscal rules and ESG targets, and on the other – extraordinary events – the COVID-19 pandemic, military conflict and high inflation rates. Through the application of variance analysis, the existence of a statistically significant dependence was established regarding the respondents' assessment of the degree of influence on the budgetary parameters of the COVID-19 pandemic and the dynamics of GDP in 2020.

In summary, it can be said that the goal and tasks set in the monographic work have been achieved, and the research thesis has been successfully argued.

To **the scientific contributions** in the habilitation thesis I accept:

1) Yolovsky. D. (2022). Modern trends in the budgetary management of public finances, Sofia, St. Gregory the Theologian, ISBN 978-619-7622-45-4

1.1. Modern trends in budgeting methods have been studied as a factor for expanding the functions of the budget. A comparative analysis between practices in the private and public sectors was carried out in order to identify opportunities for implementing certain approaches from the former into the latter. A model for a matrix model is proposed for classifying budgeting methods depending on the objectives set and the data that have leading importance.

1.2. A model is proposed for a consistent assessment of the external factors that have the strongest impact on the budget process. The latter is considered in two aspects - procedure and parameters. The application of such a model is considered to contribute to the management of this impact, which can be realized by choosing an appropriate budgeting methodology.

1.3. The influence of the main influencing factors on the two aspects of the budget process for a sixyear period in Bulgaria has been investigated. Opportunities for optimization have been identified, and specific recommendations have been made. A comparative analysis was carried out between the macroeconomic forecasts of the Ministry of Finance and the Central Bank to establish the degree of accuracy of each.

1.4. During the analysis of the dynamics of the budget parameters, a change in the course of the fiscal policy was found, which became possible due to the derogation of the numerical rules. It causes a risk to the fiscal sustainability of the country and to the realization of strategic goals, among which Bulgaria's accession to the Eurozone falls.

1.5. An empirical study was conducted with representatives from independent fiscal institutions from sixteen countries in the European Union. The impact of various factors on both aspects of the budget process was measured through the analysis of the results of the expert evaluation. The degree of spread of various innovative budgeting methods has been established.

2) YOLOVSKI, D. (2022). Budgetary management in operational organizations for public benefit, Sofia, St. Gregory the Theologian, ISBN 978-619-7622-36-2

2.1. The leading values in the organizational culture of public benefit organizations have been investigated as factors determining the goals of budget management. A growing need for such entities has been identified in the context of the COVID-19 pandemic and subsequent events. The tendency to increase the financial capacity and social importance of these organizations is considered as a prerequisite for the need to improve financial management, through which to maximize efficiency and effectiveness in view of responsibility to society.

2.2. The peculiarities of the administrative-organizational framework and the activity of organizations for public benefit have been systematized, and problems have been identified. On this basis, projections and guidelines for the application of sector-specific budget methodology and management accounting models are presented, by means of which the problems can be limited.

2.3. Models have been developed and proposed for liquidity management, for revenue planning under conditions of uncertainty, and for alternative sequencing of operating budgets depending on the different conditions in public benefit organizations. Recommendations are made to increase transparency through various disclosures.

2.4. A survey was conducted in which the evaluations of the proposed models and the conditions for their introduction into the activities of public benefit organizations were analyzed. Empirical data argue for the benefits of applying the models in practice. The results were interpreted as a positive approval of the proposed innovations.

3) JOLOVSKI, J. (2022) Assessment of COVID-19 impact on fiscal sustainability and real GDP growth in Europe. KNOWLEDGE - International Journal, 54(1), pp. 87–93, ISSN 2545-4439. (Assessment of the impact of COVID-19 on fiscal sustainability and real GDP growth in Europe)

3.1. The strength of the impact of the COVID-19 pandemic on fiscal sustainability and growth is established by analyzing the results of an empirical study – an expert assessment, with representatives of seventeen European Union countries.

4) Yolovsky, D. (2022). Application of fiscal measures as an anti-inflationary tool in Bulgaria.

Management in business and the public sector. No. 1/2022, pp. 26-40 ISSN 2815-391X

4.1. The effect of the anti-inflationary budget measures introduced in 2022 in Bulgaria was evaluated through a critical analysis and study of the dynamics of inflation in our country before and after their introduction. Two significant risks have been identified that arise from the development of the processes related to fiscal sustainability and Bulgaria's accession to the Eurozone.

5) Yolovski, D. (2022). Financial and accounting concepts in profiled secondary education in Bulgaria. KNOWLEDGE – International Journal, 53-1, pp. 119–124.

ISSN 2545-4439

5.1. Through the analysis of entrepreneurship curricula for profiled training in secondary education, the perception of the latter as an alternative to vocational training is argued. The conclusions of the analysis represent a basis both for strategic planning at the state level in the field of financial literacy, and for upgrading the curricula in the field of economics in higher education.

6) Yolovski, D. (2022). Macroeconomic forecasts as a basis for budget management in conditions of high uncertainty. Strategic management and regulation of business processes in the state. Sofia. St. Gregory the Theologian, ISBN 978-619-7622-42-3, pp. 103-113

6.1. By examining the dynamics of macroeconomic forecasts under conditions of high uncertainty caused by the COVID-19 pandemic, it has argued their unreliability due to unpredictable publication frequency and high levels of deviations between forecast and reported values.

7) Metalova, D., Jolovski, J. (2022). Impact of the COVID-19 pandemic on the economy and the fiscal policy of Bulgaria. Researching economic development and entrepreneurship in transition economies. ISBN 978-99976-57-04-6, pp. 65-76 (Assessment of the impact of COVID-19 on the economy and fiscal policy of Bulgaria)

7.1. Based on the analysis of the macroeconomic environment and budgetary measures to overcome the pandemic in the conditions of derogation from the fiscal rules, the dynamics of the fiscal parameters have been established. Negative trends and risks associated with a decrease in the fiscal space, an increase in the state sector in the economy and a complete change in the direction of the fiscal policy have been identified.

- 8) YOLOVSKI, D. (2022). Green budgeting as an innovative budget methodology - a means of achieving global climate goals. Accounting - science, education, practice. Sofia. Publishing complex - UNSS.

ISBN 978-619-232-627-2, pp. 238-246

8.1. The applicability of the innovative methodology of green budgeting in the activities of various business entities has been established, and based on the analysis carried out, a need to increase expertise has been identified in view of the expected expansion in the use of the methodology.

- 9) RUPSKA, T., YOLOVSKI, D. (2021). Application of innovative technologies in accounting education in secondary education. Accounting and digitization. Publishing complex - UNSS, pp. 357-366. ISBN 978-619-232-4698

9.1. Key accounting concepts embedded in the Ministry of Education and Science approved technology and entrepreneurship curricula for high school have been identified, and the applicability and benefits of both specific and universal innovative technologies in the field of education have been assessed.

- 10) YOLOVSKI, D. (2021). Increasing transparency in disclosing the financial performance and social impact of public benefit organizations. Collection of reports from the Sixteenth Annual International

Scientific Conference of Young Scientists "The Economy of Bulgaria and the European Union: The Challenge of COVID-19". Sofia. St. Gregory the Theologian, pp. 325-333

10.1. The growing importance of organizations for public benefit in the conditions of the crisis caused by COVID-19 is argued, and on this basis, a need to increase transparency in their disclosures is established. They are examined in two directions - financial performance and social impact, and opportunities are identified and recommendations are made regarding disclosures.

- 11) YOLOVSKI, D. (2021). Retirement income planning in the context of long-term personal finance management. Proceedings of the PEPP Conference - Regulation and Technical Standards for Market Implementation. Sofia, St. Gregory the Theologian, pp. 84-94, ISBN 978-954-8590-93-8

11.1. On the basis of a comparative analysis of the trends in the development of each of the three pillars of the pension system in Bulgaria, the advantages of the Pan-European Personal Pension Product (PEPP) are shown, and the need for proactive income planning at retirement age with a view to effective management of personal finance.

- 12) YOLOVSKI, D. (2020). Analysis of the effectiveness and efficiency of non-profit organizations. Collection of reports from the Fourteenth International Scientific Conference of Young Scientists



"The Economy of Bulgaria and the European Union in the Digital World". Sofia. St. Gregory the Theologian, pp. 357-366. ISBN 978-954-8590-68-6

12.1. The advantages and disadvantages of various methods for evaluating the effectiveness and efficiency of the activities of non-profit organizations are presented, based on a critical evaluation and a comparative analysis. On this basis, information needs were identified, and recommendations were made regarding the possibilities for their satisfaction.

13) Rupska, T., YOLOVSKI, D. (2021). Application of innovative technologies in management accounting models in the conditions of a digitalized accounting system. Scientific works of the UNSS.

Sofia. Publishing complex - UNSS. pp. 233-257, ISSN 2534-8957

13.1. Modern technologies that improve the accounting system in enterprises have been identified, based on an analysis of the impact of digitization on accounting.

13.2. The degree of application of the identified technologies was established through an empirical survey, and unused opportunities for improving the application of management accounting models through innovative technologies in the conditions of a digitalized accounting system were identified.

14) YOLOVSKI, D., (2022). The Kaizen concept as a basis for modern budget methodology. The collective monograph 2021 "Bulgaria and the EU: Finances, Accounting, Financial Control". Sofia. Publishing complex - UNSS. pp. 372-386, ISBN 978-619-232-591-6.

14.1. On the basis of two independent analyses, regarding the budgeting methodology and the essence of the kaizen concept, possibilities for integrating the latter into the budgeting methodologies in order to improve them have been identified.

15) YOLOVSKI, D., (2021). Management of the money supply in Bulgaria. Main characteristics of the financial policy of Bulgaria. pp. 5-46. Sofia. St. Gregory the Theologian, ISBN 978-619-7622-03-4

15.1. Based on the trends in the management of the money supply and other accompanying events, different periods have been identified, which are characterized by corresponding dynamics in the main monetary instruments.

15.2. The impact of various events, such as the introduction of a monetary council and the implementation of unconventional monetary policy by central banks worldwide, on the money supply in Bulgaria is assessed.

16) YOLOVSKI, D., (2019). Analysis of the socio-economic importance of non-profit organizations in Bulgaria for the period 2008-2017. The economy of Bulgaria and the EU in the digital world - collective monograph. Sofia, Publishing complex - UNSS, pp. 451-468. ISBN 978-619-232-208-3

16.1. The dynamics of the number and employment in non-profit organizations for the ten-year period

- from 2008 to 2017 - have been established, and factors that have an impact on it have been identified. The increasing socio-economic importance of these entities is argued.

17) Gordo, E., Casey, E., Oliinyk, I., de Groen, W., Ramos, J., Jolovski, J. (2021) The role of the Independent Fiscal Institutions in assessing the sustainability of high public debt in the post-Covid era. Contribution to the European Fiscal Board annual conference.

17.1. Based on a study of the impact of the COVID-19 pandemic on public debt levels in European Union governments, specific recommendations have been made regarding overcoming conditions of high uncertainty with a view to maintaining fiscal sustainability and public debt sustainability. 18)

Yolovski, D., Delinesheva, M., Radichkov, S. (2019). Manual for working with Smart CreatAR, Sofia. Education 5.0, ISBN 978-619-91245-0-5

18.1. Methodical guidelines are provided for the application of modern augmented reality technology in the creation of educational resources with the aim of implementing gamification and increasing the engagement of learners.

#### **4. Evaluation of the candidate's personal contribution**

I have not detected any forms of plagiarism. I have no doubt about the personal contribution of the candidate in the presented scientific works, books, studies and publications.

#### **5. Critical remarks and recommendations**

After my detailed standpoint of the presented materials, I did not find any material omissions, inaccuracies or contradictions. Perhaps some statements on the studied issues do not coincide with my understandings, but these are personal interpretations and interpretations of the candidate and they can be protected by him. Therefore, I consider that they do not affect my overall positive assessment and do not detract from the applicant's scientific achievements. That is why my notes are more of a guiding and recommendatory character for his future research, namely:

- on places I find implemented the big one desire on the candidate Yes us served as much as possible richer content that \_ leads to dispersal in no always appropriate details ;
- someone schemes , tables and graphs , although many \_ caring and reasoned made , would they could Yes everything exploit by thoroughly .

#### **6. Personal impressions**

I know Dr. James Iolovski from our joint work at VUZF. The in-depth knowledge of the field of his scientific interests and the activity he has definitely shown in recent years are impressive. They

show a serious and erudite researcher, with in-depth theoretical training and a proven ability for independent scientific research.

## CONCLUSION

The presented set of documents and materials represent an original contribution to science and meet all the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (ZRASRB) and the Regulations for the Implementation of ZRASRB. The submitted materials and dissertation results fully comply with the specific requirements of the Regulations.

After getting acquainted with the materials and scientific works presented in the competition, analyzing their significance and the scientific, scientific-applied and applied contributions contained in them, I confidently give my positive assessment and recommend the Scientific Jury to prepare a report -proposal to the Academic Council for the selection of **Dr. James Iolovski** in the academic position of "associate professor" at VUZF in professional field 3.8. Economics (Budget Management and Innovative Budget Methods)

Signature: .....

Sofia

*Assoc. Prof. Dr. Radostin Grigoriev Vazov*

02.12.2022 \_