



**Towards Sustainable & Equitable  
Financing of *Higher Education***  
in Bosnia and Herzegovina, Montenegro and Serbia

Towards Sustainable & Equitable Financing of Higher Education in Bosnia and  
Herzegovina, Montenegro and Serbia

**Report on the System Funding of Higher Education  
in Republic of Srpska Entity of Bosnia and  
Herzegovina**

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## Introduction

The report has been produced within the TEMPUS project “Towards Sustainable & Equitable Financing of Higher Education in Bosnia and Herzegovina, Montenegro and Serbia – FINHED.” It is one of the four reports that address system-level funding arrangements in the three Western Balkan countries. While in the case of Montenegro and Serbia, there are one report per country, in the case of Bosnia and Herzegovina, due to its complex governance and administrative arrangements, we have produced two reports, one for the entity Federation of Bosnia and Herzegovina, and the other for Republic of Srpska. Apart from these four reports, one report covering funding arrangements and practices of six higher education institutions (hereinafter abbreviated as “HEIs”) in the three countries has also been produced and it is complementary to the content of the four system-level reports.

This report aims to provide a descriptive and analytical overview of the current financial situation of higher education (hereinafter abbreviated as “HE”) system in the Republic of Srpska entity of Bosnia and Herzegovina and its chief purpose is to assist policy makers and institutional leaders in making informed choices in the direction of improving existing funding policies and practices. This report is based primarily on the data provided by the Ministry of Education and Culture of the Republic of Srpska which have been gathered through an elaborate questionnaire combining quantitative and qualitative data.

The report is organised into several chapters, which roughly follow the structure of the questionnaire. In the first chapter we introduce the higher education system in the Republic of Srpska, by focusing on its size, institutional landscape and the governance arrangements. In chapter 2 we provide a descriptive account of the system-level funding framework in the entity. In chapter 3 we look at the level of government investments and funding sources, while chapter 4 is dedicated to the allocation mechanism for public funding. In chapter 5 we address the issue of accountability of higher education institutions with regards to their financing. With chapter 6 we move on to the students and look into the national student support system in place. Finally, in chapter 7 we discuss main conclusions.

## **Chapter 1: The higher education system: policy, governance & trends**

International institutions and European developments played a crucial role in the formation of policy frameworks in BiH. With respect to higher education policies, reforms have been initiated following the framework of Bologna process. BiH joined the Bologna process in 2003 and since 2004 it is also a signatory to the Convention on the Recognition of Qualifications Concerning Higher Education in the European Region (Council of Europe). The reforms included the restructuring of the educational provision system – in line with the three cycle system, curricula modernization, development of quality assurance mechanisms, enhancing student and staff mobility, promoting European cooperation, recognition of study periods abroad, qualifications frameworks, and so forth (Branković & Branković, 2013).

Higher education in Bosnia and Herzegovina is regulated by the Framework Law on Higher Education in Bosnia and Herzegovina, adopted in 2007 and amended in 2009. In addition to this law, the Republic of Srpska adopted its own law in 2006, which is harmonised with the Framework Law. The law envisaged the legal person status only for university, thus putting an end to the decades long practice of having faculties with a legal entity status, and transferring a considerably higher level of autonomy and responsibility to the central unit (Branković and Branković 2013). In 2010, a new Law on Higher Education in the Republic of Srpska was adopted (and amended several times in the following years), which reinforced the idea of integrated universities. In other words, the new law contributed to the emergence of integrated universities, and in the case of the University of Banja Luka, what was once thirteen higher education institutions, became one HEI.

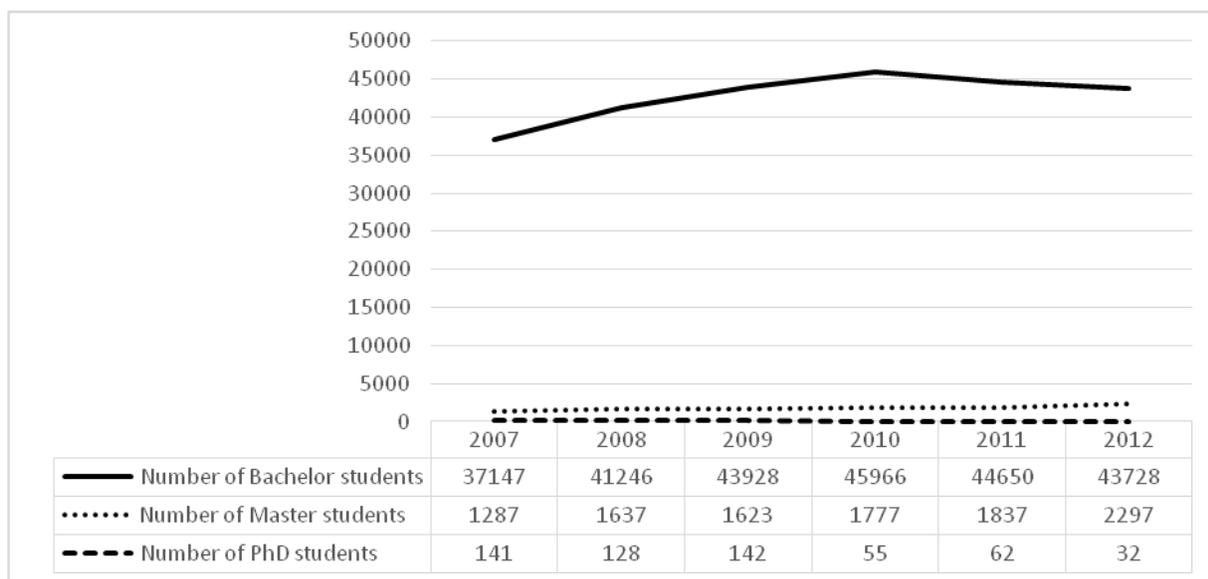
### **A. Size of the system**

The size of the higher education system in the Republic of Srpska has slightly increased over the past years. Growth is visible in all areas (number of students, number of graduates, number of institutions, number of study programmes, and number of employees), however, it is the most obvious in the number of graduates at Bachelor level, and probably the least in the number of academic staff. We can identify a definite decline only with regards to the number of enrolled and graduating PhD students.

Between 2007 and 2010 the number of undergraduate students was steadily increasing, but since 2010 there is an opposite tendency (Figure 1). In the same time period, the number of Master students was almost constantly growing, although they still represent a very small fraction of the

total student population. Probably the biggest decrease is visible at the doctoral level, where the number of students has significantly dropped.

**Figure 1. Total number of enrolled students at higher education institutions in the Republic of Srpska between 2007 and 2012**

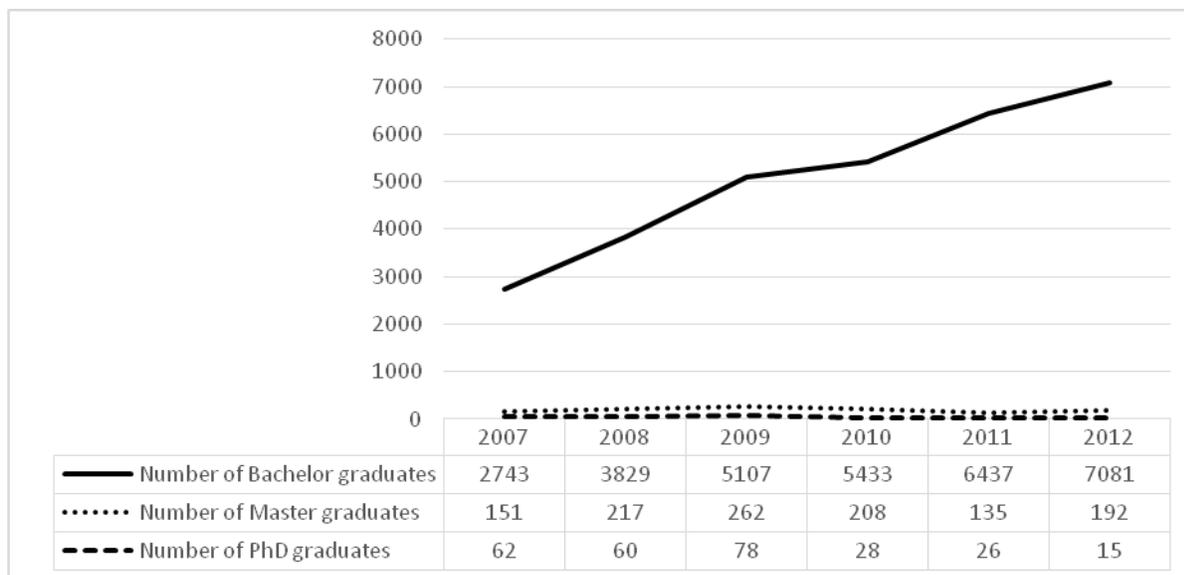


*Source: Ministry of Education and Culture, RS*

In 2012, 46.057 students were conducting their studies at one of the higher education institutions in the Republic of Srpska. Whether this is a significant portion of the age cohort is unknown. As indicated by the Ministry of Education and Culture, it is not possible to calculate the Gross Enrolment Ratio (GER), because no reliable data is available about the number of citizens within the given age range in the Republic of Srpska.

When looking at graduation rates, a sharp increase is visible in the number of Bachelor students. The number of graduates in this population of students has increased almost three times between 2007 and 2012, which is rather remarkable. This increase is likely associated to the reform of study programmes. On the other hand, the number of Master and PhD graduates has been declining since 2009 (Figure 2).

**Figure 2. Total number of graduates at higher education institutions in the Republic of Srpska between 2007 and 2012**



*Source: Ministry of Education and Culture, RS*

During the same period, the number of higher education institutions in the Republic of Srpska has also grown, which solely took place through the expansion of private higher education providers, while the number of public institutions remained the same.

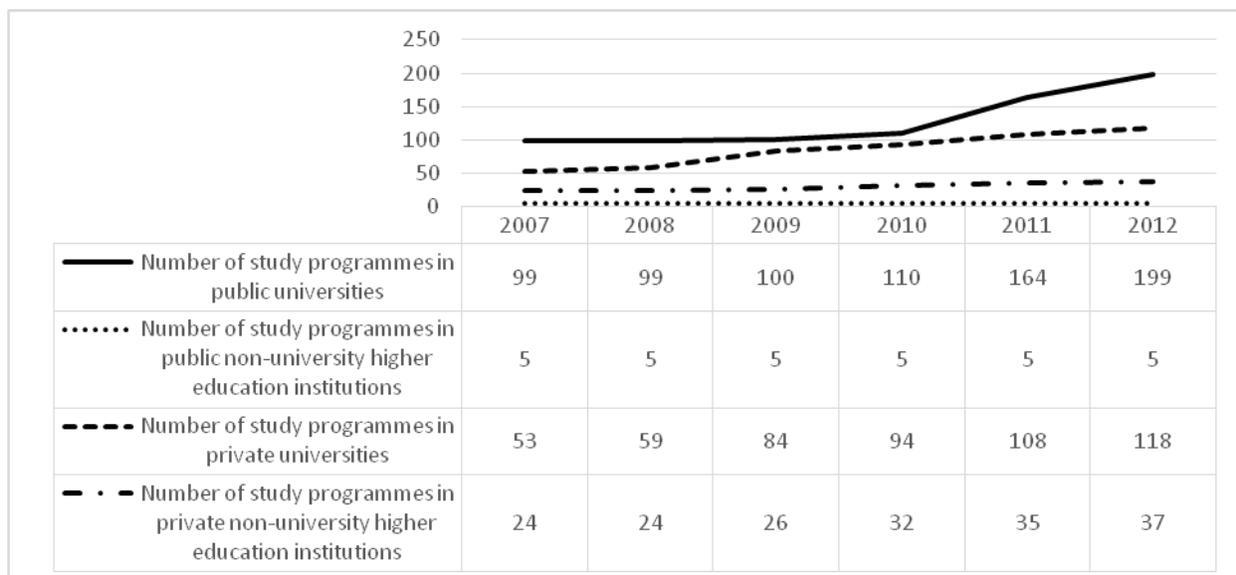
**Table 1. Number of higher education institutions in the Republic of Srpska between 2006 and 2012**

	2006	2007	2008	2009	2010	2011	2012
Number of public universities	2	2	2	2	2	2	2
Number of private universities	4	6	6	6	6	6	7
Number of public non-university higher education institutions	2	2	2	2	2	2	2
Number of private non-university higher education institutions	5	7	7	8	10	11	10
<b>Total number of higher education institutions</b>	<b>13</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>20</b>	<b>21</b>	<b>21</b>

*Source: Ministry of Education and Culture, RS*

A more modest growth trend is noted in the case of study programmes, both at public and private universities. Public universities started to increase substantially the number of study programmes in 2010, following the adoption of the new Law on Higher Education. In comparison, the number of study programmes at non-university institutions has increased less, and only at private higher education providers (Figure 3).

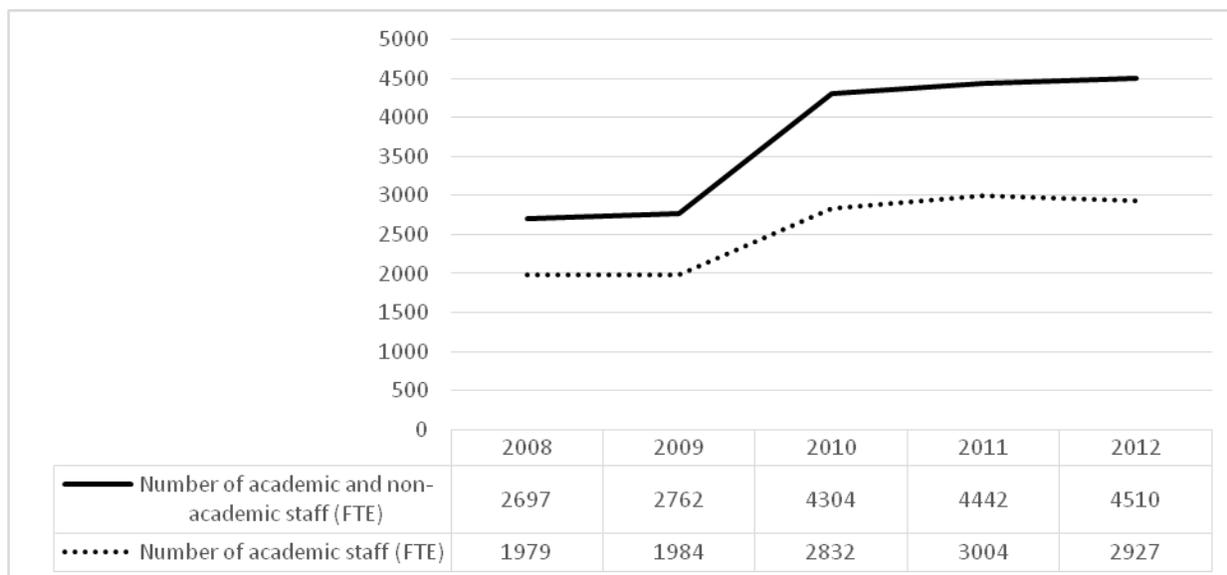
**Figure 3. Number of study programmes at higher education institutions in the Republic of Srpska between 2007 and 2012**



*Source: Ministry of Education and Culture, RS*

Since data for the years 2008 and 2009 doesn't include employees of private institutions, we can draw conclusions only on the basis of the last three years. In this time period the number of employed academic staff in higher education institutions has remained rather constant, whereas a slight increase is visible in relation to non-academic staff (Figure 4).

**Figure 4. Number of employees at higher education institutions in the Republic of Srpska between 2008 and 2012<sup>1</sup>**



*Source: Ministry of Education and Culture, RS*

The provided data highlights that the higher education system in the Republic of Srpska has experienced a modest growth with regards to the number of students, however the number of graduates on the first circle of studies has significantly increased in the past few years. In the same time, the number of private higher education institutions has almost doubled, alongside a similarly significant growth in the number of study programmes at both public and private universities. This tendency, however, has not been followed up by a significant increase in the number of academic staff. Thus, the developments are rather unevenly spread out within the sector, where some areas seem to exhibit more potential for growth than the others.

## **B. Higher education institutions**

There are 21 higher education institutions in the Republic of Srpska. Out of this, nine are considered as universities and twelve as non-university higher education institutions (i.e. colleges). The University of Banja Luka is the largest public higher education institutions in the entity and was established in 1975. Currently, the university has 16 faculties, one institute, and one associated member (the College of Internal Affairs). It has 57 accredited undergraduate

<sup>1</sup> Data for 2008 and 2009 includes only the number of staff employed at public institutions.

study programs and around 17.000 students are enrolled at them. This represents about 39% of the entire student population of the entity. The second public institution is the University in East Sarajevo. It was established in 1992 by the decision of the parliament of the Republic of Srpska. The institution is the successor of the University of Sarajevo, which many professors and students with a Serbian nationality had to leave following the civil war in Bosnia. Currently, the university has 15 faculties and 2 academies of science. The university has 38 accredited undergraduate study programmes and accommodates approximately 15.000 students, which is about 34% of the total undergraduate student population.

Besides the two large public universities there are seven private universities in the entity. Private universities were formed after 2006 (four were established in 2006, two in 2007, and one in 2012). Out this, four private universities were established in Banja Luka and three in Bijeljina.

There are two public non-university higher education institutions and 10 private ones. The main difference between universities and non-university higher education institutions is, that the latter organizes study programmes only on the first circle and mostly in one disciplinary field. In contrast, universities carry out education on all three levels, and in at least three different scientific fields. Besides these, there are also other differences between the two organizations which refer mainly to their internal organisation.

Public non-university higher education institutions were established between 1997 and 2001. One is the College of Medical Sciences in Prijedor (established in 1997) and the other is the College of Tourism and Hotel Management in Trebinje. Private non-higher education institutions were established in the period of 2004 and 2011. Four private colleges are located in Banja Luka, one in Gradiska, one in Trn (municipality Laktasi), two in Sokolac, and two in Doboju. Based on the regional span of institutions, we can notice that private higher education institutions are somewhat spread out in the Republic of Srpska.

In 2012 the total number of undergraduate students in the Republic of Srpska was 43.728, out of which 29.800 (68,20%) studied at public higher education institutions, while 13.900 (31,80%) at private ones. Private higher education institutions mostly organise courses in humanities and social sciences, while medical sciences and technical sciences are taught exclusively by public institutions. Private higher education institutions were established as a response to the growing demand for higher education, which occurred among the graduates of high schools and returning students who already had an employment.

## **C. Governance**

The highest authority responsible for education policy in the entity is the Ministry of Education and Culture of the Republic of Srpska. The Law on Higher Education defines several national bodies that are engaged in the governance of higher education. One of these bodies is the Rectors Conference of the Republic of Srpska, which is a representative body for all universities in the entity. On the other hand, the interests of non-university higher education institutions is represented by the Conference of Colleges. The recognition of higher education certificates is handled by the Commission for Information and Certification in Higher Education. The Council for the Development of Higher Education and Quality Assurance is an advisory body to the government for the advancement of higher education quality. The Student Union of the Republic of Srpska is the highest student representative body, which involves representatives of all student unions that function within the higher education institutions.

Higher education institutions are guaranteed the rights to select their governing and managerial bodies, to define their structure and activities with internal regulations in line with the existing regional laws, to appoint their academic and other staff members, to determine the rules of study and access, to independently develop and implement study programmes, research and art projects, to freely engage in partnerships with other higher education institutions, and to assign titles to academic and other employees. Besides, public institutions are free to manage the land and property they own, and with the permission of the founder to lease them out to third parties. They are also unrestricted to accumulate funds from all legit sources and manage them freely.

Public higher education institutions propose the amount of tuition fees, which has to be in line with their internal regulations on defining tuition fees. However, institutions are free to set the prices of other services. Tuition fees at private higher education institutions are set by the institution, and do not require an approval from the ministry.

According to the Law on Higher Education the university has several organisational units, such as faculties, academies, and research institutes. However, only the university can have a legal entity status, while the academic and financial autonomy of these institutions is defined by the statute of the university. Each organisational unit is allowed to have a sub-account to manage its own revenues.

The work of research institutes that are defined as independent organisational units within a public higher education institution is financed by the state budget and through its own revenues obtained from research projects or other revenue sources.

For the purpose of commercialisation of research results or artwork, the higher education institution can establish a centre for technology transfer, an innovation centre, and science parks.

The governing bodies of a university are the governing board, the senate, and the rector (in case of colleges the director). The governing bodies of faculties are the academic council and the dean. The governing board of public universities is the highest body accountable for the activities of the institution. Among others, the governing board is responsible to determine the financial plan of the institution and to approve the annual financial report, to direct, control, and evaluate the financial activities of the rector/director, and to make decisions on expenses that exceed the given amount defined by the institutions statute. The governing board has at least 7 and maximum 11 members, who are representatives of the academic staff, the non-academic staff, the students and the founder. The representatives of the founder are nominated by the government of the Republic of Srpska and who constitute at least 1/3 of the total number of board members. The representatives of the academic and non-academic staff are nominated by the senate of the institution. Students are entitled to have at least one representative in the governing board of the institution whose mandate is for one year. The president of the governing board has to be nominated from the representatives of the academic staff.

For the academic matters the senate is the highest accountable body, therefore it has the right to make decisions that concern the institution's academic activities, in particular to adopt the institution's statute and other internal regulations in consultation with the governing board and the ministry, to define the study programmes on all levels, to initiate the establishment or suspension of organizational units, handles academic and other appointments, and nominates the university's rector, or the director in the case of colleges. At least 1/3 of the members of the senate are tenured professors, and at least 15% are representatives of students. The deans of the faculties cannot be members of the senate.

The university is managed by the rector, or the director in the case of colleges. The rector/director executes the financial plan adopted by the governing board, and has the autonomy to make financial decision below the threshold set by the statute of the institution, while at least once a year submits a financial report to the governing board of the institution. Only professors employed full time at the institution can be appointed for the position of the rector/director following a public call. The rector is appointed for a four year period with the possibility for one additional re-appointment.

Higher education institutions can also appoint a financial director if defined by their statutes. The financial director can propose internal regulations concerning financial activities, recommends and implements financial plans, and controls the institution's financial activities.

## **Chapter 2: Allocation mechanism for public funds**

Public funding for higher education in the Republic of Srpska is determined in line with the budgetary planning procedures and is for the upcoming budgetary year. It is based on a negotiation process between the higher education institutions and the government. Every year, universities and colleges propose an institutional budget for the government, which is later on negotiated between the parties. The basis of these negotiations is the institution's previous budget and the financial results it obtained. The budget is calculated according to input indicators, thus the number of employees at the institution, the number of students, and the number of study programmes is the starting point of the negotiations. This process usually results in a certain percentage of budgetary increase or decrease of the institution's overall funding. The final budget of the higher education institution (which relates primarily to teaching activity) is finalized by the Ministry of Education and Culture together with the Ministry of Finance, while research funding is determined by the Ministry of Science and Technology. The accepted budget is then integrated into the government's yearly budget.

Public funding for higher education covers the following types of costs: salaries of academic staff, salaries of administrative and support staff, maintenance costs, and other types of costs, such as professional services, travel costs, and so on. Cost related to the purchase of equipment, salaries of research staff, and printing and publishing are covered usually through other sources. While the general higher education budget doesn't foresee salaries of research staff, each academic staff is required to devote 40% of its working time to research activities.

Since universities are integrated (only the central organisational unit has a legal status), public funding is transferred directly to the university and not to its constituent parts (i.e. faculties). After the budget of the university is adopted, the internal units are proposing their own financial plans to the universities governing board, who decides on internal allocation of funds, based on the same input indicators that were used to define the overall budget of the institution.

Public funding for universities follows a macro-line item budgeting, where the funds are earmarked for general categories (e.g. salaries, maintenance, etc.). The largest share of the budget is allocated for salaries of employees. The remaining funds are also specified and can be spend only according to predefined cost categories, like travel costs, renting facilities, engineering costs, professional services, and so on.

In case the university closes a fiscal year with a certain level of surplus, there are defined procedures for transferring those funds to the next fiscal year. However, this rarely happens in practice, rather the deficit of institutions is compensated for by governmental rebalance of the

public budget. Still, in case a higher education institution would remain with a surplus, it could be reused only following the agreement of the Ministry of Finance, and according to the decision of the National parliament of the Republic of Srpska. Actually this means, that the surplus is transferred back to the government's budget, and could become reassigned to other institutions or become part of the universities next budget. In addition, the category of expense which resulted in the surplus would be regarded as being overfunded and consequently reduced in the institution's budget in the following year.

Private higher education institutions obtain their funding from their own revenues, from donations, or from other sources. The government is not obliged to fund private higher education institutions, however, the Law on Higher Education foresees the possibility of private-public partnerships in higher education. Until now, there were no such examples in the Republic of Srpska.

## **A Accountability**

The governing board of a public institution is collectively accountable for the lawful and purposeful use of resources allocated in accordance with the Law on Higher Education. The founder of public higher education institutions is the National Parliament of the Republic of Srpska in name of the Republic. Therefore, public higher education institutions are required to report their financial activities (including the spending of public funds and their own revenues) to the National Parliament on a yearly basis. Faculties and institutes are required to report to the governing board of the university, which becomes part of the institution's financial report towards the founder. There is also the possibility for external financial auditing carried out by the budgetary inspection agency that is part of the Ministry of Finances. Such audits are conducted by the request of the ministry.

The financing system of higher education during the observed period has essentially remained the same. This means that the model in place is input based and is solely determined according to real costs, i.e. the costs of the permanently employed teachers, administrative staff and material costs. These expenses are largely covered through the budget of the entity. On the other hand, private higher education institutions obtain funding primarily from tuition fees. They can be founded by physical or legal persons, either nationals of the Republic of Srpska or registered in the entity or foreign physical or legal persons in cooperation with a local higher education institution. In this case the founding board and the institution's governing board share the responsibility for the financial activity of the institution.

## **B State student support system**

The law on Higher Education recognises three types of students:

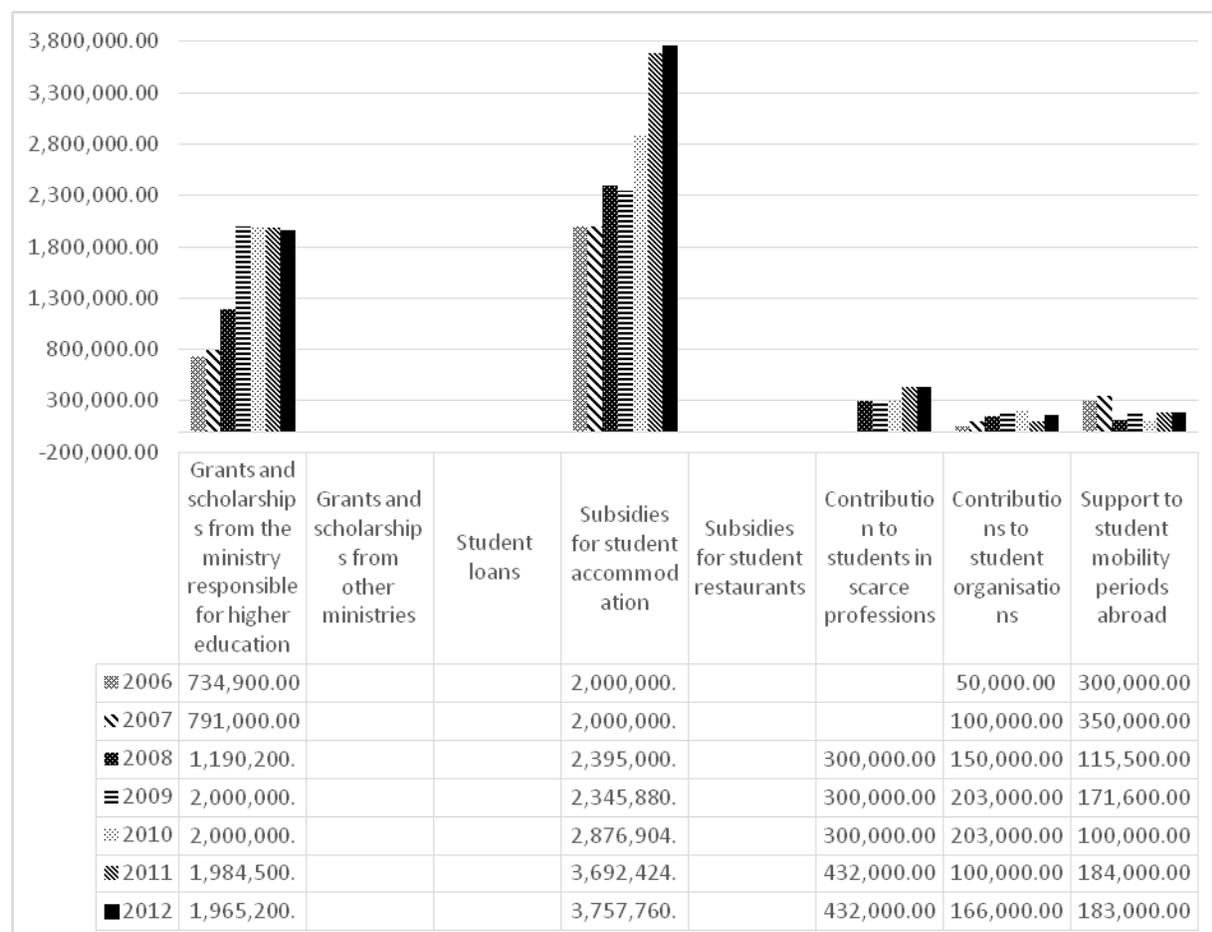
- Students whose costs of studying are covered by the entity and who do not pay tuition fee;
- Students whose costs of studying are partially covered by the entity and who pay a partial tuition fee, and
- Students who pay the whole amount of tuition fee. This category of students does not have access to student benefits (see in the continuation of this section), as it is the case with other two categories.

It should be noted here that the first two categories listed above are referred to as “full-time students” (*redovni studenti*) and the third as “part-time students” (*vanredni studenti*). The distinction between them is that, unlike full-time students, part-time students do not have the same obligations with regards to attending lectures, participating in pre-exam activities and in general have less pre-exam obligations than their full-time colleagues. The second important distinction is that they do not have the same rights as regards student benefits.

Full-time students or students whose tuition fee is covered fully or partially by the Republic of Srpska have a right to benefits, such as the subsidized accommodation in student dormitories (approximately 6% of the total number of students receive it), to subsidized meals in student cafeterias (approximately 10% of the total students receive it), to subsidized public transportation (managed by local municipalities), to social and health insurance, and to receive stipends from public sources (about 10% of the total number of students receive either state or municipality scholarships). Students who pay tuition fees have no rights to any of these.

According to the data provided by the Ministry of Education and Culture approximately 80% of students from public higher education institutions use total or partial exemption from tuition payment. The amount of tuition fees is determined by the Government of the Republic of Srpska on the basis of the recommendation of the Ministry and the higher education institutions.

Besides covering the tuition fees for a certain number of students (full-time ones), the government allocates funds (scholarships, subsidies, etc.) through the student support system. This is shown in Figure 5 below. As the figure indicates grants and scholarships have more than doubled in the past years, while similar increase is visible in the domain of subsidies for student accommodation. Contributions for scarce professions, for student organisations, and mobility constitute only a minor part of the governmental allocations for student support.

**Figure 5. Government allocation for the student support system (in KM)**


Source: Ministry of Education and Culture, RS

The Republic of Srpska offers each year approximately 1.000 scholarships to the best performing students. The scholarships are allocated through a public competition with clearly defined criteria. In the following part we outline the type of the scholarships that are available and the criteria and conditions for receiving them.

- *Scholarship for undergraduate students from underdeveloped regions* (18 such stipends were offered in 2012). This scholarship is offered for students currently enrolled in undergraduate studies and is based on the following criteria: the student's performance in the previous years of studies and the social status of the student. In addition, the students have to demonstrate that they passed all their exams in the previous year with an average grade equal to or larger than 8.00, they have residence status in an underdeveloped region

of the Republic of Srpska, and that they will seek employment after their graduation in the region of their residence, working at least for the same duration as the duration of their scholarship.

- *Scholarships for undergraduate, graduate and PhD students with a handicap*, who are eligible for allowance and care by a third person (17 such stipends were offered in 2012). This scholarship is offered for students currently enrolled in undergraduate, graduate, or PhD studies and is based on the student's performance in the previous years of studies. Additional criteria for receiving the scholarship require that the student is enrolled for the first time in the given academic year in which he/she is applying for the scholarship.
- *Scholarships for other undergraduate student* (230 such stipends were offered in 2012). This scholarship is offered for students currently enrolled in undergraduate studies and is based on the following criteria: the student's performance in the previous years of studies and the social status of the student. In addition, the students have to demonstrate that they passed all their exams in the previous academic year with an average grade equal to or larger than 7.50.
- *Scholarships for successful undergraduate, graduate, and PhD students* (735 such stipends were offered in 2012). This scholarship is offered for students currently enrolled in undergraduate, graduate, of PhD studies and is based on the student's performance in the previous years of studies. In addition, students have to demonstrate that they passed all their exams in the previous academic year with an average grade equal to or larger than 8.50.
- *Scholarships for undergraduate, graduate, and PhD students at foreign institutions* (70 such stipends were offered in 2012). This scholarship is offered based on the student's performance in the previous years of studies. Students have to demonstrate that they passed all their exams in the previous academic year with an average grade equal to or larger than 9.00. Besides, they have to be studying at an accredited foreign higher education institutions in one of the following subjects: geology, meteorology, art historian, anthropology, veterinary medicine, agricultural engineer, oil and natural gas engineer, and other subjects. The scholarship also requires from recipients to seek employment after their graduation in the Republic of Srpska, and work for at least the same duration as they received the scholarship.

Since the criteria for receiving scholarships is largely based on the student's performance during his/her previous studies, the number of available scholarships can vary from year to year. Similarly does the amount of each scholarship vary since it is determined by the annual budget plan of the Republic of Srpska. Apart from the scholarships, public funding is also available for international student exchanges, support for students studying scarce professions, and support for student organisations. In addition to governmental support, local municipalities also offer

scholarships to students according to their own criteria. However, there is no student loan system in place in the Republic of Srpska.

### **Chapter 3: Summary and discussion**

Higher education system in the Republic of Srpska has been undergoing a reform process in the past decade, largely as part of a broader wave of reforms happening in Europe. Being a signatory country to the Bologna Declaration since 2003, the Republic of Srpska introduced various changes in the legal framework of higher education, which as a rule, are harmonized with the legal framework of Bosnia and Herzegovina. Besides assimilating the Bologna principles, the recent reforms also reduced the autonomy of organisational units by revoking their legal entity status to create more integrated universities. These changes were accompanied by a solid growth of student numbers, especially by an intense growth in the number of undergraduate students. In the same time, several private higher education providers started to offer their educational programmes as well, especially in the area of humanities and social sciences. An alarming tendency is the continuous decline of both the number of PhD students and the number of PhD graduates. It is also worrying that the number of academic staff didn't increase with the same speed (3,35% increase between 2010 and 2012) as did the total number of students (28,56% increase between 2010 and 2012) and the total number study programmes (48,96% increase between 2010 and 2012), indicated that the teacher-student ratio has probably worsened.

Since 2004 several private universities non-university institutions were established in the entity. Currently, they accommodate about 1/3 of the student body, which is a considerable success given their ten years of operation. In addition, they seem to be geographically spread out enabling them to provide access to higher education also in remote areas of the Republic of Srpska.

Considering the governance structures in place, we can observe a strong dominance by members of the academic community. Moreover, the lack of involvement of representatives of the economy and the business sector points to a rather exclusive decision making practices when it comes to higher education in the Republic of Srpska. Since their involvement could be seen as conducive to the institutions' openness towards a broad range of collaborative activities with various constituencies in their environments, institutions are likely to become isolated from developments in this sector and from possible alternative funding sources.

Despite all the reforms that took place in the Republic of Srpska and the expansion of the private higher education sector, the way in which public funding is determined remained unchanged during these years. Public funding is still determined according to various input indicators, such as the number of employees and number of students. It follows a so called 'negotiating funding model' (Jongbloed & Koelman, 2000) where the costs of the input measures is negotiated between the higher education institutions and the government. In other words, the model does

not incorporate any financial incentives based on output indicators, which can hinder quality improvements in the sector. Additionally, the funding model encourages institutional dependency on state support. Since governmental funding is earmarked the relevance of internal financial strategies and decision making is minimised. Neither are public institutions encouraged to find more efficient ways to spend public funds since the obtained surplus would need to be transferred back to the government and is less likely to become part of the institutions discretionary funds.

In most of the cases, government funds are internally allocated to the employees' salaries. With regards to the accountability for the use of the public funds, higher education institutions in the Republic of Srpska, together with their constituent parts, are required to conduct financial reporting for the entire budget of their institution, public and own revenue, to their governing boards, and thereafter to the National Parliament. In addition to the internal reporting, external financial audit is a possibility, but not a requirement which would be foreseen by regulations.

There are three types of students in the Republic of Srpska. On the one hand, there are full-time students, i.e. students whose tuition fee is covered fully or partially through the public budget and these are eligible to receive additional scholarships and various subsidies. On the other hand we have students who pay full tuition fee and are not eligible for any of the previously mentioned benefits, i.e. part-time students. These two categories are also distinguished as regards the pre-exam obligations – part-time students only have a share of pre-exam obligations that full-time students have. Moreover, there is no student loan system in the entity that could be utilized by either categories of students. The share of self-financing and state supported students in the total number of students could not be estimated. However, we know that the government distributes about 1.000 scholarships on a yearly basis, which are purely merit-based and they are given on competitive basis to students with highest grades, as well as to students with special needs, or who are from underdeveloped regions of the entity, or study at foreign higher education institutions for a pre-defined set of professions.

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