



TEMPUS

Tempus Regional Seminar
on University Governance
in the Western Balkans

REPORTS



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***Tempus Regional Seminar on University Governance
in the Western Balkans***

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Reports on University Governance

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Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

The purpose of this theme is to discuss the new emerging mission, functions and roles of Ministries in the context of further professionalisation of public management of higher education and changing relationships between the universities and the state, in particular in terms of increasing university autonomy and accountability for higher education institutions. Two particular aspects have been selected which will be analysed in detail during two separate workshops. Discussion should concentrate on the necessity of developing and implementing new approaches and methodologies at Ministry level and on the need to adapt Ministry structures, organisation and human resources accordingly. Obstacles and constraints should be identified while solutions and good practice will be discussed by the participants.

Workshop 1A - External governance – Providing and safeguarding the autonomy of higher education institutions

Discussion within this workshop will concentrate on the on-going reforms increasing university autonomy and accountability leading to a change of paradigm in the relationships between Ministries and universities. In particular it may include exchanges on questions such as:

- the increasing role of private funding and the possible consequences in terms of limitations of academic freedom;*
- the contribution of the developing private HEI sector to policy issues and challenges and its role in the decision making processes;*
- approaches and tools to safeguard higher education institutions from political influence.*

Workshop 1B - External governance - Professionalisation of public management and administration of higher education

Discussion within this workshop will analyse to which extent and how management structures, approaches and methodologies should be developed and adapted to the new context at Ministry level. Restructuring Ministries' organisation and human resources, capacity building, development of new services/bodies responsible for specific tasks (strategic planning and policy development, fundraising for teaching and research activities, quality assurance etc.) are examples of topics which may be discussed.

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

This theme will focus on universities. Increasing autonomy and accountability has a major impact on the organisation and operation of universities and necessitates adaptation in the governance mechanisms and the governing structures of universities. Two particular aspects have been selected which will be analysed in detail during two separate workshops.

Discussion should concentrate on the necessity of developing and implementing new approaches and methodologies at university level. Obstacles and constraints should be identified while solutions and good practices will be discussed by the participants.

Workshop 2A – University governance structures, membership and responsibilities: engaging students, academics and external stakeholders

This workshop will focus on the role of students, academics and external stakeholders in the decision making and implementation processes and governing structures. Questions such as how to raise awareness and motivation may be addressed as well as the need for appropriate structures and bodies to define and implement decisions.

Workshop 2B – Governance and University structures (faculties, departments and institutes) towards an integrated university

This workshop aims to raise awareness about the necessity to accelerate internal integration of universities finding solutions within existing legal frameworks (internal agreement) or by amending current regulations governing university structures and operation. The workshop may lead to discuss how structures and human resource management should be adapted both at rectorate and faculty / department levels and to which extend new approaches and methodologies in the way the organisation is managed should be developed and implemented.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

This theme will focus on universities. Increasing autonomy and accountability has a major impact on the organisation and operation of universities. Two particular aspects have been selected which will be analysed in detail during two separate workshops.

Discussion should concentrate on the necessity of developing and implementing new approaches and methodologies at university level and on the need to adapt university procedures, organisation and human resources accordingly. Obstacles and constraints should be identified while solutions and good practice will be discussed by the participants.

Workshop 3A - Governance implications of new budget responsibilities: consequences in terms of organisation, procedures and human resources

Managing increasing budgets in a professional and effective way and generating and diversifying income are key challenges facing institutions. These issues question the capacity of institutions to design and implement appropriate financial decision making and implementation processes and procedures. The workshop will notably provide an opportunity to discuss the need to design and implement relevant structures at different levels of the organisation (rectorate, faculties / departments) and to mobilise adequate competences and skills.

Workshop 3B – Governance – role and responsibilities in recruitment, retention, rewarding, developing and evaluating academic, technical and administrative staff

In a difficult economic and social context, adequate and efficient human resource management is becoming a priority for higher education institutions. This concerns the different categories of staff belonging to the university community, in particular academic, administrative and technical staff. It concerns as well the capacity of top managers to exert their leadership. The workshop may address issues related to recruitment procedures, career development and training needs, remuneration and rewarding mechanisms, workload, competition between disciplines and sectors, etc.

Albania

Name of the experts who have contributed to the preparation of this report:

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

During last years the Higher Education underwent many changes, as entire Albanian society. The implementation of the Bologna Process in Higher Education in Albania created conditions for an overall and open cooperation in Higher Education, which certainly affected the whole process of transformation.

These changes have been quick, qualitative and quantitative and affected the entire structure and contents of the higher education. They aimed toward a real flexibility of the higher education in order to adapt it with great many changes underwent in Albanian society during this period. As a result, the higher education in Albania underwent changes in its structure and other fields of its didactic and scientific activity, including the university governance as an important part of it.

The initial outcomes were the improvement of the existing legislation and the introduction of new amendments. The different Joint Projects, Structural Measures and academic mobility in the framework of the TEMPUS has certainly played an important role. Since the very beginning of the implementation of new experiences, it was obvious that the further development of university governance could not be achieved without the development of university autonomy, accreditation, quality assurance control and mechanisms in terms of their functioning. Therefore, several TEMPUS projects were addressed to university governance, the institutional organization and management experiences.

The legislative reform in Albania started in 1994 with the first Law on Higher Education which included numerous important elements with regard to the definition of status and mission, organization and governance of higher education institutions, financial relations, administration, etc. These elements were crucial to the structuring and functioning of universities. During the years, more updated laws on higher education were approved and actually higher education institutions have a more comprehensive law on higher education which assures more possibilities to improve university governance of higher education institutions in Albania.

In the process of analyzing the system and defining the necessary legislative changes, there are identified several necessities for the elaboration of law in the following aspects:

- Improving the system of quality assurance and accreditation assessment;
- Improving several procedures for the election of governance bodies according to European standards;
- Increase of the financial and institutional autonomy;
- Improvement of admission procedures in Higher Education in the Matura framework, etc.

The New Law on Higher Education and its amendments reflect a number of important improvements, which significantly increased the university governance, the institutional, financial and academic autonomy of higher schools, enabled the introduction of new qualitative mechanisms and up-to-date administration of universities. In the organizational plan, the Conference of Rectors was institutionalized as one of the most important consulting bodies in Higher Education.

Actually, there are many new initiatives for improvement of university governance. With regard to the increase of financial autonomy, the possibility of separate bank accounts for the Faculties and the better distribution of supplementary (extra-budgetary) revenues between the state and the universities were foreseen in particular decrees. Considerable legislative changes have affected the admission system when the Ministry of Education and Science changed the admission procedures in higher schools by introducing the Matura system in the admission competition.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

1A: External governance – Providing and safeguarding the autonomy of higher education institutions

The actual situation how the Ministry of Education and Science govern the HE is as follows: In Albania the Ministry of Education and Science do not exercise an overall responsibility for higher education, as higher education institutions have several freedoms.

However, the Ministry did not establish any independent legal entity body to allocate funding.

From 6 years there is in Albania a National Quality Assurance and Accreditation Agency, but it is not an independent body totally.

For higher education in Albania the Ministry is supported in its policy by a national advisory body. This advisory body represent the views of the Higher Education sector to Government, it comment on draft Higher Education legislation, different amendments to the law on Higher Education in Albania.

Actually, the Ministry of Education and Science issues regulations for the structure of institutional governance, but, on the other hand, the same ministry requires Higher Education Institutions to develop a strategic plan on governance and other issues. This plan must be submitted every five years. The Ministry requires an annual report from HEIs on development of the plan.

In the Ministry there is a specialised sector that has a national database in HE activities. Such a database provides comprehensive data on all aspects of Higher Education in Albania, which includes numbers of students – by age, sex, level, year of study, subject area, graduation, employment, full-time, part-time; numbers of staff by age, sex, subject area, seniority, full-time, part-time; numbers of research staff on a similar basis; information on funding and a range of other performance data. This database is fairly comprehensive.

There is a national programme for ‘leadership’ development and training for Rectors and senior managers. All senior managers in Universities are expected to attend courses in leadership and management.

In the actual level of the development of higher education in all Western Balkan countries, it is the time to reflect how possible is to change the model, the paradigm in the relationships between Ministries of Education and higher education institutions. Some possible exchanges, taking into account the Albanian experience are the following:

- the increasing role of private funding: according the Albanian legislation this is possible: The Universities are encouraged seeking private funding, but if they are successful in achieving private funding, they are restricted in how they may use it. The University is required to report on the amount of and use of private funding. The universities are not free to create commercial companies. The following sources of private funding are actually available to Universities: donations/legacies, use of research results/contracted research, fees from service provision.
- Due to recent developments of private sector in higher education, the increasing number of the private institutions, the contribution of the developing private HEI sector to policy issues is potentially increased; the challenges and its role in the decision making processes must be take into account. But to accomplish this task several reforms must be undertake. Some recommended reforms are: increasing role of the private sector in the Conference of Rectors. Only this academic

year for the first time, the voice of private sector is hearing: recently, in the Conference of Rectors of Albanian universities were invited the private universities and the deputy chair of the conference was elected from the private sector. This creates possibilities the private sector may influence concretely for the policy issues and decision making processes.

- Some approaches and tools to safeguard higher education institutions from political influence, based to Albanian experience: Autonomy might be described as freedom for HEIs to run their own affairs, in particular in relation to staff, students, curriculum (teaching and examining), governance, finance and administration. We may describe state-funded Higher Education Institutions as autonomous and this autonomy is in a high level. Rectors / Heads of Universities are not appointed by the Government. There is selection procedure for them, the selection is open and not restricted (there are not nominations from the Ministry of Education and Science, or other institutions concerned). If the process is 'open' the post is advertised only within the Higher Education Institutions. The Governance structure in our Universities in general can be described as collegial and democratic one. The universities have a Senate and the academic staff (excluding Deans and Heads of Department) is represented there; the students are represented there as well. External stakeholders (e.g. representatives of employers, trade unions, local/regional authorities, other educational institutions, distinguished members of the public) normally are represented on the Senate too. All those measures prevent HE institutions from political influence.
- Another experience for participating people in the discussion could be the Albanian experience on accreditation and quality assurance: The Accreditation System of Higher Education in Albania was founded under a Decision of the Council of Ministers. The Accreditation System is in charge of carrying out Evaluation and Accreditation of the existing Institutions and Programs of Higher Education, evaluation and accreditation of the new courses of study or other new units of HE.

The Accreditation Institutions consist of: Accreditation Agency on Higher Education and the Accreditation Council, in close cooperation with Ministry of Education and Science.

Accreditation Agency on Higher Education (AAHEE) is a public state-funded institution which is accountable to the Ministry of Education and Science. It was set –up under a Tempus JEP. AAHE is the institution responsible for Evaluation of Quality at HE. AAHE drafts and sets the criteria and procedures of Evaluation of Quality of HE, which, after consulting the Higher Education Institutions, submits them to the Accreditation Council (AC) awaiting final approval. All the criteria and procedures to be drafted by the AAHE and approved by the AC are to be made available to the HEI. The Agency drafts and monitors the mechanisms of the internal system of Quality Assurance and helps HEI in establishing such a system.

Accreditation Council is a collegial organ composed of high-profile personalities in various fields of education, science and economy. The members of the AC are appointed by the Minister of Education and Science upon proposal from different fields, while the Chairperson of the AC is appointed by the Prime Minister under the proposal of the Minister of Education and Science.

AC approves the evaluation criteria at program and institutional level, drafted by the AAHE, grants approval to the request filed by the HEI for the respective evaluation, and defines the timeline during which such an evaluation is to be conducted. AC agrees on the final outcome of evaluation based on the report written up by AAHE. The outcome is deemed positive, when all of the set criteria are appropriately met. If pointing to the contrary, it is negative. This outcome along with recommendations is submitted to MOES for final decision.

After reviewing the report submitted by AC, Ministry of Education and Science takes decisions on closing down or not an existing course of study when the results are negative, or it files for approval with the Council of Ministers the closing down or not of an existing Public Higher School or of its other constituent structures.

In the case of the Non-public HEI, when the report produced by the AC is negative, the Ministry adopts decisions to the effect of not recognizing the existing course of study or it submits proposals to the Council of Ministers in order for it to no longer recognize the HEI or course.

These procedures are valid for three cycles of study. On the basis of the positive evaluations, MOES announces the level of the diploma issued.

Quality Assurance on HE is carried out at the program and/or institutional level. Each process consists of the internal evaluation and external evaluation. Evaluation is done on the basis of

procedures prepared by the AAHE which allow for objectivity, transparency and minimization of conflict of interests in the evaluation process.

Internal Evaluation (self-evaluation) is done by the HEIs themselves, while external evaluation is done by a team of experts (peer review) who do not by any means possess overt conflicts of interests with the institution under evaluation. On the basis of the two evaluations, AAHE prepares a final report and submits it to the AC and MOES for decision making purposes.

An evaluation is carried out at the request of any given HEI, at the request of MOES, or according to an evaluation schedule of AAHE. Any request is submitted from AAHE to AC and has to await for final approval by AC. AAHE records all the requests filed by HEI for evaluations. Any Public or Non-Public HEI, could function without being accredited for a period of not more than 4 years. When the HEI does not seek any evaluation within this stated period of time, AAHE and MOES ask to start the evaluation procedures.

AAHE submits the final evaluation report to the AC and the latter, after issuing the final report, presents it to MOES, along with the accompanying recommendations.

AAHE is responsible for announcing and publishing the evaluation outcomes on the basis of the decisions taken in advance by AC. In the cases of the Public HEIs, AC decides on a case by case study for the publication or not of the final outcomes. If the decision is positive, AC defines the path and means of publishing the evaluation results. Given that in the case of the Non-public HEIs, the announcement of the evaluation report is compulsory, in such cases the AC decides only on the path and vehicle of publication.

AAHE in close cooperation with experts and representatives of HEI prepares two manuals on evaluation: Self-Evaluation Manual and the External Evaluation manual.

AAHE has compiled the full procedure of Quality Evaluation at HE, which is approved by AC. AAHE in collaboration with domestic and foreign experts has prepared the "*Aspects and Indicators for Evaluation of Quality at Higher Education*". AAHE has also put together the standards of Institutions and Programs, which after being the subject of a long consultation among with HEIs, have been approved by AC and MOES.

1B. External governance - Professionalisation of public management and administration of higher education

In the actual situation it is easier to discuss and make recommendations on internal governance and quality assurance that is the university governance than the external governance that is the change, or the reconstruction of the Ministry of Education, its part for human resources and strategic planning.

- In Albania there is already set-up a National Agency of Accreditation, but this Agency is not independent from the Ministry
- The internal governance of universities needs improvement as well: Normally the universities have a separate "decision making body", a Council, but the students are not represented there. External stakeholders (e.g. representatives of employers, trade unions, local/regional authorities, other educational institutions, distinguished members of the public) normally are represented there, but they do not constitute 50% or more of the membership. In addition to the two bodies referred to above, the Universities normally have not other advisory/supervisory body.
- Changing structure of the Ministry, especially in the field of human resources, strategic planning, policy development are not yet a result of a multi-year of studies, but based on the personal views of the new appointed minister. So those structures are fragile, not persistent. Necessary to get foreign experience and adopt it according a national context.
- Actually, in the Ministry of Education and Science of Albania there is a sector for policy development, but not only for higher education policy. The department of higher education is not playing totally its role for strategic planning and policy development; there are not trained people for those issues. The fundraising for teaching activities is not yet well organised.
- Scientific research is better organised and the sector experience is sufficient to make recommendation changes for university governance in this field.

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

2A – University governance structures, membership and responsibilities: engaging students, academics and external stakeholders

The situation for decision making and implementation of processes and governing structures is as follows:

- Autonomy might be described as freedom for HEIs to run their own affairs, in particular in relation to staff, students, curriculum (teaching and examining), governance, finance and administration. We may describe state-funded Higher Education Institutions as autonomous and this autonomy is in a good level.
- Rectors / Presidents / Heads of Universities are not appointed by the Government. There is selection procedure for them, the selection is open and not restricted (there are not nominations from the Ministry of Education and Science, or other institutions concerned). If the process is 'open' the post is advertised only within the Higher Education Institutions.
- The Governance structure in our Universities in general can be described as collegial and democratic one.
- The universities have a Senate and the academic staff (excluding Deans and Heads of Department) is represented there; the students are represented there as well. External stakeholders (e.g. representatives of employers, trade unions, local/regional authorities, other educational institutions, distinguished members of the public) normally are represented on the Senate too.
- Normally the universities have a separate "decision making body", a Council, but the students are not represented there. External stakeholders (e.g. representatives of employers, trade unions, local/regional authorities, other educational institutions, distinguished members of the public) normally are represented there, but they do not constitute 50% or more of the membership. In addition to the two bodies referred to above, the Universities normally have not other advisory/supervisory body.
- All Rectors have a written job description and the format of this job description is agreed by the Ministry of Education and Science. The Rectors have a fixed term of office, the duration is 4 years and the term of office can be renewed. There is an absolute limit to the term of office.
- The Deans are not appointed they are elected too. They can be re-elected. There a fixed term of office for them. The same for the Heads of Department.
- In each of the above mentioned points there is place to raise the role of the rector, of the dean, of the head of department and of the student as well. The problem is to compare those roles in several Balkan universities in order to make some generic recommendation for each of those structures and bodies.

2B – Governance and University structures (faculties, departments and institutes) towards an integrated university

- The point is that according Albanian legislation for higher education, all public HE institutions have the same structure for university governance and nevertheless how big is a university. The reality is that some times, several faculties if the University of Tirana are bigger than a whole local university. And this faculty suffers the financial issues, being strongly related to its rectorate and bureaucratic issues.
- Another issue is that the structure of the private universities is totally different from the structure of the public universities. They are free to set up their structures according their experience and desires, following several foreign models, mainly based on the foreign universities where those rectors were graduated. Of course, among those structures, we may find indeed good experiences, but it is necessary those good experiences to be distributed, discussed and, if possible, adopted to public sector of the HE institutions.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

3A - Governance implications of new budget responsibilities: consequences in terms of organisation, procedures and human resources

- The need to design and implement relevant structures at different levels of the organisation (rectorate, faculties / departments): in public HE institutions those structures are already established and small correction may be made, according to the foreign experience. The main problem is to raise capacities on how HE institutions can design and implement appropriate financial decision making and implementation procedures. For implementing those procedures, it is important to share the experience with other foreign HE institutions. On the other side, it is not worthy the same structures to be active in university, faculty and department level. Another problem is how to implement the same structures to private autonomous IHE institutions. They have a freedom to set up their own structures, but we must find the ways how to recommend them the same structures and procedures the public sector has. On the other hand we should ask them to share their experience in this field and adopt the best efficient procedures they have.
- How to mobilise adequate competences and skills. First we need to produce a list of competences and skills they should have. The training procedure of the staff is very important in order to equip the staff with necessary adequate competences and skills. The second important phase is how to check the competences of the staff, in order they continue working in this sector.

3B – Governance – role and responsibilities in recruitment, retention, rewarding, developing and evaluating academic, technical and administrative staff

- The situation of the recruitment, retention, rewarding, developing and evaluating of the academic and administrative staff in Albania is the following: Academic staff is formally classed as civil servants in Albania. The Universities have no freedom in relation to determining salary levels and additional payments, but they have freedom in relation to determining promotions.

There are national criteria for the selection and recruitment of academic staff. The recruitment is on the basis of competitive examination. The international advertisement is a normal element in recruitment. The national advertisement is a normal element in recruitment too.

The academic staff is interviewed before appointment and they have fixed term appointments. The academic staff is subject to regular (at least every two years) appraisal.

- There are not institutional programmes of staff training and development. There are not national programmes for academic staff training and development. It is necessary to develop methods on those activities. The foreign experience is important, in order to set up common methods for our neighbouring countries.

Bosnia and Herzegovina

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

Jurisdiction for higher education in BiH is at cantonal level in the Federation of Bosnia and Herzegovina (FBiH), entity level in Republika Srpska (RS), and district level in Brčko District. There are 14 different ministries/departments dealing with higher education in the country¹. Higher education at the state level is regulated by the *Framework Law on Higher Education in Bosnia and Herzegovina* (hereinafter referred as the *Law*), which was adopted in July 2007. There is also the entity level law in RS and some cantonal laws in FBiH. The major ongoing reforms and initiatives include:

Harmonization of the entity and cantonal laws with the state-level *Law*. This process is complex as it requires close cooperation among different ministries/departments of education. Until now, the *Law* on HE in RS and some cantons in FBiH have been harmonized with the *Law*. Additionally, 7 key strategies for implementation of reforms have been developed through a joint EU and Council of Europe project. Moreover, documents related to diploma supplement, quality assurance, diploma recognitions and national qualification framework have been developed and officially adopted by the Council of Ministries in 2007, but very few implementation results have been achieved so far.

Building the capacity of the national Agency for Development of Higher Education and Quality Assurance (hereafter referred as the Agency), which become operational in December 2008, to undertake the accreditation and licensing of higher education institutions. Under the existing system, the accreditation process is still under the jurisdiction of 10 cantonal ministries of education in the Federation and entity Ministry of Education and Culture RS. The new *Law* assigns the accreditation and licensing tasks to the newly established Agency. Currently, the Agency is in the process of preparing tender for call for experts that would participate in accreditation process, including quality assessment, audit, and providing recommendations on accreditation.

Integration of universities - The integration process is currently under way. Some universities are already integrated (the universities of Tuzla, Zenica, Banja Luka and East Sarajevo) or are in the process of integration, while others are not integrated yet (the University of Sarajevo, Dzemal Bijedic Mostar, Sveuciliste Mostar, and the Universtiy of Bihac). Some of them, including the University of Sarajevo, have already developed and adopted integration plans. However, there are some impediments to integration, including resistance by some faculties/units, legal complexities, and disparities in implementing the 'treasury system'² and integration processes³. The integration of universities should not be understood of as merely change in organisational structures, but rather as

¹ Ministry of Civil Affairs BiH, Federal Ministry of Education and Science, Ministry of Education and Culture RS, 10 cantonal Ministries of Education, and the Education Department in District Brcko

² The treasury system is not a single, uniquely correct method of public expenditure management but a general system in which all government funds and expenditures are managed in an integrated process through the Treasury and its sub-treasuries rather than being managed independently through the national banking and financial systems.

³ Faculties and/or other units are independent legal entities enjoying high degree of freedom, including financial autonomy, and they receive public finding directly.

the assimilation of their members and a development of a common commitment to improving the effectiveness of learning experience for students.

The main reasons for the delay in implementation of the reforms include: lack of political will, lack of coordination and understanding of the process, strong political influence on the HE sector, and lack of the awareness among the academic community about the importance of the reform.

Part 2 – Themes to be discussed during the working groups

Current reforms include integration of autonomous faculties/schools/departments into a more coherent university structures. Under the existing system, the non-integrated universities act as a loose association of semi autonomous units (faculties/departments) with power to, manage budgets, hire staff, develop curriculum, etc. There is some degree of cooperation between these units, but there is often lack of communication, as well as administrative and legal barriers that hinder this cooperation. Universities need to develop new organizational structure able to effectively respond to the growing demands for development and implementation of inter-disciplinary, teaching, learning, and research activities. Staff development programmes should be priority in all aspects.

The integration processes have been supported by the Tempus and other programmes that assisted universities in restructuring their statutes, establishing quality assurance mechanisms⁴ at public universities, and developing strategic policy and other documents necessary for effective functioning of integrated university. More emphasis should be put on promoting benefits and values of integrated universities. Integration would require re-organization of the existing university structures in such a way that would give more power to the universities. Moreover, relations between study programmes and universities should be clearly defined, as well as the balance between different study programmes. It is also necessary to provide continual education and training courses for university management and study programme development teams.

Government reform strategies often emphasize governance and management issues related to the funding, quality assurance, accreditation, information system development, and student assessment. More progress has been made in areas of quality assurance and student assessment in comparison with the accreditation process and building the information system. Emphasis is also being put on the academic priorities, including development of the new study programmes and restructuring of the existing programmes, introduction of the credit system, and mobility of staff and students. However, it is important to link the reforms in government structures with the reforms of management structures.

There has been a continuous increase in number of students in recent years coupled with a shortage of staff. For this reason, the staff development programs have been introduced at some universities, whereby staff development experts provide consultations on teaching (class organization, evaluations of students, and presentation skills), and advise faculties on issues such as advising, tutoring, discipline policies, and administration. These programmes are expected to improve quality of education by developing new skills and abilities required by the modern university.

Accompanying regulations are not finished. At the state level there is no:

- Rulebook about academic titles and degrees
- Rulebook about equivalency between old and new academic titles and degrees
- Nomenclature of professions harmonized with new (Bologna) academic titles and degrees
- Financing system for public universities
- State strategy for development of HE system
- State Standards and normative provisions for higher education

The Agency for Development of Higher Education and Quality Assurance is still in process of developing criteria for accreditation of HE institutions. It means that none of the B&H HE institutions (either public or private) has passed through process of accreditation in B&H.

⁴ Including establishment of Quality Assurance offices and other QA bodies in charge of introducing and maintain QA at public universities in BiH

The Center for Informing and Recognition of Documents (CIP) has been established at the state level, but it started with work few months ago.

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

The Constitution of the country⁵ gives power to the 10 cantons, the RS entity, and District Brcko to define their own educational policies and regulations. The existence of different HE laws and regulations makes situation quite complex, allowing for differences between cantons, entities, and District Brcko. For example, the Ministry of Education and Culture in RS and in some cantons in FBiH (including Canton Tuzla), are more regulatory, while in some other cantons (especially in those cantons that do not have HE laws), their role is almost less than supervisory.

Implementation of Bologna reform is more complex in FBiH. Cantonal ministries of education often do not have enough capacity, in financial or human resources, to fulfill their role in that process. This problem could be overcome by establishing the Ministry for HE at the state level. It could be the way in ensuring professionalization of public management through capacity building (better quality of human resources, better financial support, strategic planning, coordination and harmonization inside the state).

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

Main obstacles:

- Different level of integration because of different HE laws
- Non-existence of state strategy of higher education development
- Unfavourable economic condition in the country and lack of finances;
- Increase in number of higher education institutions (especially private) at the cost of quality;
- Resistance to the autonomy of the university
- Insufficient understanding of basic problems in higher education by policy makers

Solutions:

- * Step up and/or finalize the integration processes;
- * Include external stakeholders (especially from economy), not only through mutual projects and donations, but in process of developing new curricula, new study programmes, departments and etc. Enable real influence of Alumni on process of education.
- * Include students' representatives (from all three cycles) at all levels of university governing, in quality assurance process, in process of developing new curricula, new study programmes and etc.
- * Promoting culture of dialog through internal/external workshops, seminars and etc.
- * Establishing Centre for lifelong learning as a continuous link with economy
- * Establishing Centre for supporting students, whose task should be developing atmosphere which would intensify great importance of students for the University and its existence.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

Public higher education institutions in Bosnia and Herzegovina are financed either from the entity budget in the RS or cantonal budgets in the FBiH. District Brcko has its own budget for education. There is no state level fund for higher education and there are 13 independent higher education budgets in this country (10 cantonal, 2 entity, and 1 district). *Ministry of Education and Culture RS* is responsible for financing higher education institutions in this entity, while cantonal ministries of

⁵ Annex IV of the Dayton Peace Accord

education and culture in FBiH are responsible for financing higher education institutions in their cantons. Private higher education institutions are financed mainly from private sources of funds.

Another important issue regarding financing is the lack of midterm financing strategy and effective evaluation mechanisms that would ensure results based allocation of funds. Budgets for higher education institutions mainly cover their operating costs. In this situation, it is difficult to implement reforms without having a clear strategy and sufficient funds necessary for implementation. Under the existing system, public higher education institutions receive funds in relation to the number of students admitted, without considering the quality of services provided.

Other issues include: 1) non-existence of funds for scientific-research work at the state level, 2) different budgetary practices, 3) insufficient understanding of the needs for strategic planning and monitoring of key performance indicators and taking responsibility for the overall results by universities, 4) insufficient home teaching staff and overload with teaching activities, 5) Inadequate investment in qualifying teachers and associates to use new technologies, teaching methods and techniques, 5) not enough capacity of administrative staff to provide support for activities in international relations and mobility of students, 6) Inadequate ratio (imbalance) between teaching and scientific-research activities at the detriment of scientific-research activities.

Part of the problem is the inadequate funding model as well. Public funds allocated for higher education are inadequate, often universities receives public money irregularly and without transparent criteria. That is the reason universities collect fees from students, and often decision-making process is motivated for collecting large amounts of tuition than a real educational needs

Private sector did not offer big investments in higher education sector. It is more about fast diploma without adequate criteria than good education oriented to learning outcomes. So, public HEIs in general offer better education. They are more committed to reforms and they have been involved in lot of reforms projects. They have an opportunity to develop rolling strategic plans, in conjunction with their stakeholders. These plans would help enable them to meet the Bologna criteria. These criteria equate with the effectiveness of study programs in terms of being capable of realizing their necessary outcomes, and the efficiency of an institution in terms of its planned and actual use of resources and predictable funding.

Issues that need to be confronted in institutional planning include:

- The growth in student numbers in certain subject areas with, consequently very high student – staff ratios.
- Dependence on visiting teachers from other universities.
- The future of what are currently regarded as part-time enrollments.
- An institutional research policy that at least ensures that university teachers are aware of developments in the subjects they are teaching.

Croatia

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

The Bologna process in Croatia primarily represented the reform of the organization of study programmes and the accreditation system. As a part of these changes new concepts were also introduced, such as learning outcomes and ECTS points. In addition to this, the 2003 Act on Scientific Activity and Higher Education, which introduced the Bologna reforms, affected the overall higher education system governance without a significant influence on the governance of individual universities. The Act attempted to increase the level of integration of Croatian universities by abolishing the status of faculties as legal entities, but this was overturned in 2007 by the Constitutional Court. “Old” universities (Zagreb, Split, Osijek and Rijeka) remain, to a varying extent, loose associations of its constituents - faculties and academies.

The Croatian Constitution guarantees the university autonomy which has, along with decisions passed by the Constitutional Court in the past 20 years, limited the government’s role in the university governing bodies and adoption of the university statutes. Based on these decisions and the seminal 2003 Act, the Croatian universities were found in the 2009 European University Association study to enjoy one of the highest levels of autonomy in Europe. They are governed solely by academic bodies elected democratically by the academia (similar to the Finnish governance model), have no constraints in setting the tuition fees, set all regulations regarding admissions (including student quotas, entrance examinations, etc.) and are not obliged to publish and share the data on their operations on a central level.

At the same time, there is a lack of adequate accountability mechanisms at the universities. The new Act on Universities, which plans to introduce some of these mechanisms, has been in preparation for a while. Working versions indicate that it will introduce some important changes, especially regarding the university administrative bodies and budgeting. A draft text planned for the leading university bodies to be the senate and the management consisting of a rector and 3 – 5 vice-rectors elected by the senate. The new law aims to introduce a university council as a body which elects the rector, and that body would consist of representatives of central government, in addition to university representatives, who would hold majority votes. The act should also lead to a proper lump sum funding system in which the total amount of budgetary funding would be determined by a combination of input and output factors. The current regulations had introduced lump sum financing, but the system by which the Ministry allocates funds to the universities is still only input-based: on the basis of historical trends, employed staff, and other budgetary headings such as overheads, new equipment etc. Budgetary funding is determined in the largest extent by the budgetary funding of the previous year. Obviously, changes towards larger levels of output-based funding would increase the university autonomy, but they would also require additional resources, financial and human. To this end, Croatia is planning a twinning project from the EU IPA funds to facilitate the reform of the financing system.

The only recent legislative change regarding the university governance was the new Act on Quality Assurance in Science and Higher Education adopted in April 2009. The Act gave the public universities much more autonomy in creation of new programmes and shifted the authority for programme accreditation from the Ministry to the universities (only the public ones), with Agency for Science and Higher Education responsible for institutional accreditation in five-year cycles.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

- **Private HE sector** is growing, but only in some fields (mostly economy, business and IT); currently, 3 universities, 2 polytechnics and 24 colleges are privately owned; they deliver around 4% of accredited study programs and enrol around 4% of the total number of students. Private universities have still not started full operation.
- Currently, only the University Council includes government representatives, but although this body is mentioned in the law, its purview and responsibilities have only a weak effect on institutional governance. All issues not regulated by the law are left to be defined by the university statutes, which need not be approved by the competent Ministry. Initiatives to introduce the Ministry approval for the statutes were overruled by the Constitutional Court, which considered sufficient that the state, as the founder and owner of public universities, defines the purview of the statute in the universities' foundational acts. This decision, however, addressed the issue of institutional accountability to only a limited extent because the 4 oldest and largest universities had their founding acts written in the former Yugoslavia, or are even so old that no original founding acts exist.
- While Croatia has received EUA recognition for level of autonomy of its universities, **the issue of institutional accountability is currently very weakly regulated in national legislation**. Some changes planned in the Universities Act regarding the management structure of universities might bring additional influence of central government in an attempt to create accountable universities overseen by its founder, the state. However, there is currently **no consensus** on this issue. The state wishes to introduce some form of monitoring and participation in the decision making, in order to introduce accountability for spending public funds; the academia is afraid this will jeopardize the university autonomy and give too much influence to central government. This issue is currently being discussed.
- **No national information and data collection system exists**, and previous attempts to create a centralized system have only reached partial success. As a result of these efforts, about 70% of students and 60% of higher education institutions in Croatia today use ISVU – an institutional system that collects data on students, programs and schedules. The data it contains, however, is owned by each individual faculty and access is only granted after an explicit decision is passed by the faculty. Following the passing of the Quality Assurance Act, which foresees establishment of a national information gathering and analysis system, the Agency for Science and Higher Education/ Ministry have launched a project for development of a conceptual design of a National Information System for Science and Higher Education. The project should significantly improve the capacity of both to base national policy making on sound evidence, and its final development is being planned as part of an EU IPA funded project.
- **Quality assurance** is a growing area, at the government (Agency for Science and Higher Education) and university level, and the 2009 Act represented an important step. It allowed the public universities to self-accredit new programmes (while private universities and other HEIs still need an accreditation from the Agency), increased the university autonomy, making the universities much more accountable and changing the Ministry role from regulatory to supervisory (the Agency carries out regular re-accreditations). Quality assurance system is a good example of a mechanism through which the state supervises the universities after giving them full autonomy, and it should be developed further.

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

- Universities are managed solely by academic bodies – there is **no participation of the state or external stakeholders**, but there are **student representatives** at all levels. There are problems with active student representation: turnout at the elections for the Student Council is regularly under 20%. Recent student protests, which asked for abolition of tuition fees, but not in a form of formal student representation, could be a sign of future increased involvement of students.
- No **systematic collaboration between universities and the labour market stakeholders**, and the consequences on the decision making process are unclear. Collaboration in the form of joint projects between a faculty/department and a company usually includes recruitment of successful

students by the company, which brings some influence on the teaching programmes, but this is not an institutionalized representation of industrial stakeholders in the university bodies. The new 2010 regulations foresee a stronger involvement of the labour market in the planning of development of higher education institutions.

- **Stronger influence of the labour market in the decision making process** should be accompanied by stronger financial support, improvement of administrative services and development of technology transfer and other forms of collaboration – the Tempus OPUS project dedicated to technology transfer is currently being implemented at 5 Croatian universities.
- An important stakeholder in the university governance should be **alumni**, the recognition of which has traditionally been low at Croatian universities. This is strongly tied to greater administrative and managerial capacity of central university administrations.
- An important contributor to the improvement of university governance, as well as greater integration, has been EU funding (primarily Tempus) which could encourage the integration by favouring it in the distribution of funds. A possible way to achieve **university integration** could be **through funding (including further EU support)** which could encourage the integration by favouring it in the distribution of funds.
- The current structural makeup of universities makes the **professionalization of central university management** difficult to implement. Between 2006 and 2009 a large number of new staff was employed at Croatian universities, but due to the disintegrated status of the 4 largest universities, these new staff members could not contribute significantly to the quality of university management.
- Good practice examples: the University of Rijeka functionally integrated its public procurement procedures, library, IT and student services, development of scientific infrastructure etc.; the Zagreb University tries to provide similar services on a central level, but unlike the Rijeka University, the faculties have not formally transferred these roles to the University. There is, however, at least formal integration on the level of state financing, which is done through the universities, and EU-funded projects.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

- **Inefficient use of the limited state funding:** 70% of university income is provided by the state (the percentages vary significantly among institutions). The rest is collected from own income, of which the tuition fees make for 40% to 70%, and scientific and publishing activities which make for the remaining 40% (there is no exact data on how much of this income is collected from services to businesses), **while only 2% (on average) are at present collected from private donations.**
- **Lump sum budgeting** was legally introduced in 2004, but due to the reasons mentioned in the introduction it is weakly implemented in practice. The situation is a little better on the new universities, but even those have been founded on the basis of already existing higher education institutions. There have been some formal improvements – introduction of a centralized accounting system and inclusion of the universities in the VAT system, but the effects of these changes have been limited in scope. A major reorganization of the university financial management is necessary.
- Faculties are only capable of participating in international projects with **financial guarantees of their universities**, which is a fact often disregarded.
- External **financial reporting** is inadequate, and universities are only starting to adapt their internal reporting procedures.
- **Strategic documents** (e.g. development strategies, rectors' programs) are limited in how they fulfil their role due to the limited availability of data for measurement of achievement of indicators, and the lack of structural incentives to follow through. A good practice example has been the University of Rijeka which set up clear indicators and a follow-up data collection structure for its strategy.

- **Recruitment:** academic staff is currently employed and promoted upon approval of the Area Councils of the National Councils for Science and Higher Education. Recruitment criteria, workload and remuneration are all defined on the national level by various documents (collective agreements between government and trade unions, criteria passed by national councils, laws, ordinances, etc.). This is one area where additional improvement in terms of university autonomy is necessary and planned.
- At Croatian higher education institutions there has been a historic **lack of highly skilled administrative staff** with experience in strategic planning, project management and entrepreneurship. These trends have been changing in recent year with the new administrative services which have been established under EU projects, as well as the programme of comprehensive hiring funded by the Government between 2006 and 2009. This is due in part to the fact that the salaries of all university staff are determined in national negotiations between the trade union and the government, which makes it difficult for universities to use financial incentives to recruit highly skilled and experienced professionals (especially managers and financial and IT professionals). This might change after the introduction of the lump sum budget, but at the moment a possible way to overcome that problem could be some way of subcontracting such tasks.
- There is often overlap and duplication between administrative functions of universities and their constituent faculties, which creates significant administrative inefficiencies. For example, since the faculties are legal entities, each has its own accounting service, which means that four large Croatian universities employ hundreds of accountants who calculate salaries and deal with minor expenses.
- 90% of all scientific achievements are produced in Zagreb – University of Zagreb and Ruđer Bošković Institute – there is a need to encourage **more competition among faculties and disciplines at the national level.**

The former Yugoslav Republic of Macedonia

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

On 14 March 2008, the Parliament of the Republic of Macedonia, adopted a new Law on Higher Education (Official Journal of the Republic of Macedonia, 35/2008). The Law on Higher Education is divided into several chapters and regulates the following areas:

- Autonomy of the University;
- Higher education facilities and their operation;
- Establishment and dismissal of higher education facilities;
- Internal organization of the University and types of cooperation;
- Authorities and bodies of higher education facilities;
- Higher education quality provision and assessment;
- Development, financing and property of the higher education facilities;
- Higher education activity;
- Educational - scientific, educational and supporting staff positions;
- Students;
- Equivalency and recognition of higher education qualifications;
- Supervision of the higher education facility;
- Misdemeanour provisions.

The Law on Higher Education (Official Journal of the Republic of Macedonia, 35/2008, 103/2008, 26/2009, 83/2009 and 99/2009) gave the legal provision for change of the structure of the university as loose association of legal entities into an integrated university. Taking into consideration the complexity of this demanding task, a transitional period for transformation of the University “Ss. Cyril and Methodius” – Skopje and the University “St. Kliment of Ohrid” - Bitola into integrated universities was defined till January 2009. During the preparatory period new Statutes of both universities were created and adopted by the Parliament of the Republic of Macedonia. The Statutes provide:

- Broader activities for the Senate and Rectors;
- Established - University Council comprised by the representatives of students, employers' association, local self-government etc.

Contrary to the two state universities, the "Ss. Cyril and Methodius" University in Skopje and the "St. Kliment Ohridski" University in Bitola, which had functioned as loose association of legal entities till the adoption of the Law on Higher Education in 2008, the State University in Tetovo, founded in 2004, the "Goce Delcev" University in Shtip, founded in 2007 and the newly established in 2008 University for Information Technologies in Ohrid were founded as integrated universities.

Also, 18 private accredited higher education institutions exist in the country, at level of universities (comprised of minimum 5 units) and high vocational schools.

Despite of public and private status of Universities, the new form of public-private non-profitable higher education institutions is introduced with the new Law on HE in 2008. Currently, under this form of university is South-East European University established in Tetovo in 2001.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

1A - External governance – Providing and safeguarding the autonomy of higher education institutions

The higher education policy has been implemented by the Department for Improvement of Higher Education within the Ministry of Education and Science. The Ministry is a regulatory body whose main responsibilities are preparation and adoption of higher education legislation and their harmonisation with EU law.

The Law on Higher Education recognises the following forms of higher education institutions: public, private and non-profitable public-private HE institutions. According to the Law the state public funds should also be invested in the private and non-profitable public-private institutions if the studies which have been organised are from high relevance to the state. The public and private HEIs in the country are organised into the following bodies:

- Rectors' Conference of Public Universities composed of Rectors, Vice-Rectors and Secretary Generals of the public HE institutions;
- Rectors' Conference of Private Universities composed of Rectors, Vice-Rectors and Secretary Generals of private and non-profitable public-private HE institutions;
- The representatives of both, public and private HE institutions compose the Inter-University Conference.

Establishment, approval and recognition of higher education institutions (public and private) and study programs is made through the process of accreditation. Responsible, independent body for accreditation is the Board of Accreditation of the Republic of Macedonia. The Board of Accreditation is composed of 15 members, out of which 8 are proposed by the Inter-University Conference, 1 from Macedonian Academy for Science and Arts and 6 appointed by the Government. The president of the Board of Accreditation is appointed by the Government. The Decision for start-up activities of newly established HEI (public or private) is given by the Minister of Education and Science, upon positive opinion of the Board of Accreditation and opinion of the Ministerial Commission for fulfilment of minimal criteria and standards for performance of HE activities.

Rector and Vice-Rectors cannot perform any other public duty nor can they be members of any political party.

According to the Law equitable access to higher education system has each individual regardless of gender, age, race, religion, language, political and any other orientation.

1B - External governance - Professionalisation of public management and administration of higher education

Within the Ministry of Education and Science functions a Unit for strategic planning, which prepares strategic plans for three year period. The strategic plan of the Department for Improvement of Higher Education is part of the strategic plan of the Ministry of Education and Science. The national budget, which is approved by the Parliament of the Republic of Macedonia, is accompanied by this strategic plan and contains financial projection for three years tailored by the strategic plan.

The Ministry of Education and Science despite of the higher education activities, in the frame of the Department for Improvement of Science and Technological Development, also supports activities of the universities for research, technological development and innovation.

- The Ministry of Education and Science provides administrative support to the independent body for accreditation i.e. Board of Accreditation and according to the Law on HE the Ministry of Education and Science is supposed to provide administrative support to the bodies which have not been formed yet (*Council for Higher Education Financing; Agency of Evaluation*).

Within the Ministry of Education and Science, The department for Improvement of Higher Education has established a Unit for Academic Recognition and of HE Degrees and Qualifications and ENIC/NARIC Center.

The main challenges for the Ministry of Education and Science in the forthcoming period, for the implementation of the Law on HE, is the establishment of the following bodies:

- *Council for Higher Education Financing;*
- *Agency of Evaluation.*

Upon approval of the National Qualification Framework, new emerged structure will be:

- *Body for NQF implementation.*

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

2A – University governance structures, membership and responsibilities: engaging students, academics and external stakeholders

According to the Law, bodies of the university are university Senate, Rector and Rector's Office. The University Senate is a governing body whose members are elected with secret voting from the pool of professors, i.e. scientific staff and students. The students represent 10% of the Senate members. Each Faculty/Unit has at least one representative in the Senate. The Rector is member of the Senate by function. The Vice-Rectors participate in the work of the Senate without the right to vote.

The Rector is elected out of the full professors and scientific advisors during a period of four years with a right for one re-election. The Rector is elected in compliance with requirements stipulated in the Statute of the University. The Rector performs his/her duty in a professional manner and the labour rights are exercised according to an agreement signed with the Senate.

The Rector's Office is composed of the Rector, the Vice-rectors, the Deans of the faculties, the Directors of the higher vocational schools, the Directors of the accredited scientific facilities and representatives of the students. The Rector's Office is chaired by the Rector. The organization and work of the Rector's Office, as well as number of student's representatives is further stipulated in the Statute of the University.

The University Council has at least 11 members. Of the total number of members within the University Council, six members of the Council are appointed by the Senate of the University, of which at least one should be a student; three members are appointed by the founder; one member by the organization of employers in Republic of Macedonia and one member by the local self government unit. The Rector participates in the work of the University Council without a right to vote.

The private university instead of university council can have body of the establisher, with rights and responsibilities stipulated within the Establishment Act and Statute of the University as it is provided in the Law on HE.

According to the Law on Higher Education, all issues of importance for the activities of higher education institutions are provided within the Statutes of the higher education institutions. For the Statutes of the HEIs, the Ministry of Education and Science gives the final approval.

2B – Governance and University structures (faculties, departments and institutes) towards an integrated university

The university integrates the functions of its units (functional integration) and by the means of its units secures their synchronized action through a unique: strategic development, adoption of standards, norms and rules of organization and implementation of higher education and scientific and research work; ECTS; applied and expert work; adjusted financial operation; investments and development plans; promotion of scientific research; criteria for the election and advancement in educational, scientific - educational, scientific or supporting staff vocation; cooperation with the universities in the country and abroad; policy of student, teachers, supporting staff and administrative staff mobility; rules for rational utilization of human and material resources; development and organization of studies; system of provision and control of quality; educational standards; information system; library system; publishing work; issuing diplomas; organization of symposiums and seminars; allocation of funds to the university units and university organizations for cultural and sports activities; provision of forms and other documentation necessary for students; professional or administrative and technical services; university documentation; care and promotion of student's and employee's standard; program for exchange of scientific and vocational services and products with domestic and international natural persons and legal entities; insurance of university property and university units property by performing other work set in the Law on HE and the Statute of the University.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

3A - Governance implications of new budget responsibilities: consequences in terms of organisation, procedures and human resources

Main resource for higher education financing is the Budget of the Republic of Macedonia. According to the Law, the higher education institutions may acquire financial resources from other sources. On the basis of delivered projections from the higher education institutions, the Ministry of Education and Science prepares Proposal-Calculation for needed resources for financing of higher education.

The distribution of financial resources for higher education financing is made after the official adoption of the Budget of the Republic of Macedonia. Each public university has its own sub-program budget line within the budget of the Republic of Macedonia for higher education. Despite of the state funds, the budget also comprises the funds on self-financed basis and donor funds of higher education institutions.

In the higher education, the resources for performing the main activity are provided from the Budget of the Republic of Macedonia.

The higher education activity is financed according to the Standards and Criteria. Elements of the Standards and Criteria, which influence on the determination of the scope of higher education activity, and automatically also on the amount of resources needed for performing of the higher education activity are:

- approved study programs of the higher education institution;
- number of study groups, departments and courses;
- number of full-time enrolled for first time students at state quota in academic year;
- qualification structure of the employed;
- number of graduated students;
- net usable premises of higher education institutions; and
- needed number of managerial personnel.

3B – Governance – role and responsibilities in recruitment, retention, rewarding, developing and evaluating academic, technical and administrative staff

Employment approvals, for academic staff give the Ministry of Finance. Taking into consideration the economic crisis the employment is realised with difficulties. Due to full implementation of the Bologna principles and work in small groups, the universities engage part-time teaching staff which is paid from the universities' self-financing funds. 10% from the study programs can be lectured by outstanding professionals coming from the industry and they are appointed by the Rector/Dean.

If the academic staff from the public universities publishes a scientific work in a prestigious international magazine with impact factor, he/she receives increase of 20% in salary in the forthcoming three year period.

The academic staff is elected in academic position for period of 5 years. Premature election in academic position can be made for achievement of outstanding results.

The quality assurance is performed by means of evaluation methods as external evaluation, self-evaluation as well as through the quality assessment system of academic personnel. External evaluation and assessment of quality of academic staff of universities and other higher education institutions of Republic of Macedonia will be performed by the Agency for Higher Education Evaluation.

The self- evaluation of a university, the units of the university or the independent higher education institution is carried out by a Self-evaluation Commission of the University, or an Organizational Unit for Evaluation of the University, Self-Evaluation Commission of the Unit, or the Independent Higher Education Institution according to the provisions in the Statute of the University and the Statute of the Independent Higher Education Institution.

The members of the Commissions are elected by secret voting by the Senate of the University, or the Educational- Scientific Council, the Teachers Council or the Scientific Council, out of the teachers for a four- year mandate and out of the students for duration of two years.

The self-evaluation is carried out in intervals of at most of three years. In the self-evaluation procedure, the assessment on behalf of the students is also taken into consideration.

Kosovo under UNSCR 1244/99

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

The Education is one of four priorities of the government of Kosovo. The government sets out a priority on economic development through reduction of unemployment and the need to improve human resource development and service delivery in education and place much more emphasis on the world of work.

The legislation in the field of HE in Kosovo makes clear reference to the goals set by the Bologna Process and Lisbon Declaration. The Law on Higher Education, the Strategy for the development of Higher Education 2005-2015, the Statute of public HE Institutions in Kosovo demonstrates the willingness of the Ministry of Education (MEST) and other relevant stakeholders in Kosovo as a democratic society to be integrated in the European Higher Education Area. The seven strategic objectives of this document support measures which adhere to the Bologna principles, such as: (i) Integration of the Kosovar Higher Education within the European development processes of higher education; (ii) Harmonization of the study programmes at all levels with the objectives of the Bologna Process; (iii) Full implementation of the European Credit Transfer System (ECTS); (iv) Active participation in international cooperation process; (v) Support for the mobility of faculty and students; (vi) Establishment of a distance learning system (vii) Establishment of the Kosovo Accreditation Agency.

The Higher Education Institutions determined to continue the reform process because a reformed HE is precondition for general democratization of the Kosovar society, for the perspective of youth and its European Future.

Compliance with the European Higher Education standards and strategy is stressed also in the mission of the Higher Education Division within MEST which aims 'to ensure equal access to education and to promote educational excellence to all Higher Education Institutions'. Goals which have been set up within this Division are to: (i) Provide a challenging and supportive environment in which staff and students can realize their potential and develop the skills and flexibility needed in a rapidly changing world; (ii) Improve access to Higher Education Institutions and stimulate research and teaching at the highest international standards according to Bologna Declaration; (iii) Ensure the quality assurance system for Higher Education Institutions; (iv) Provide higher education programs through distance learning and lifelong learning, to establish excellence in social and scientific research. (Tempus country fiches)

The needs to be taken care of by Government will be in particular the strengthening of the quality assurance system for Kosovar HE institutions, the cooperation of the university with the labor market, as well as the development of the life-long learning, and increasing the number of students participating on tertiary education.

The recent challenges and developments in higher education field in Kosovo are grounded in the new political, social and economic reality in the country. The political isolation of the previous decade has caused a delay in HE substantial reforms, despite the presence of some positive developments in this area such as Quality Assurance on higher education institutions.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

COMPETENCIES OF THE MINISTRY IN PROVISION OF HIGHER EDUCATION

On the basis of the Law on Higher Education the Ministry is responsible for:

(i) Planning the development of higher education in Kosovo in consultation with the accredited providers of higher education;(ii) Regulating public providers of higher education and approving their statutes. These statutes shall be ratified in the Assembly; (iii) Within the general provisions under the applicable law for the funding of public services in Kosovo, allocating funds to public providers for teaching and for research in the public interest; (iv) Authorising the format and content of Diploma and Diploma Supplement issued by accredited providers of higher education; (v) Bringing forward proposals for the establishment of a scheme or schemes for student financial support and arranging for the administration of such scheme or schemes; (vi) Promoting mobility of students and staff within the European Higher Education Area and internationally; (vii) Establishing arrangements for academic and professional recognition within the Bologna framework and Lisbon convention, either within the Ministry or by the Kosovo Accreditation Agency and offering advice to the public on the status of foreign qualifications;(viii) Promoting equality of opportunity in access and admission to higher education, in staff development and training, in lifelong learning and in all other aspects of higher education; (ix) Promoting links between public higher education providers in Kosovo, private providers of education and training, industry and commerce; (x) Promoting links between all higher education providers in Kosovo and higher education institutions in neighboring countries and regions.

Challenges and difficulties:

Laws are very modern and in line with EU trends and similar documents, but they mark a significant departure from existing culture and tradition in key areas and there is a lack of expertise and capacity to implement them.

- Procurement procedure, too detailed, centralized bureaucratic and time consuming.
- Quality assurance system on public and private Higher Educations Institutions.
- Internationalization of the Higher Education Institutions

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

The Higher Education Institutions have full legal personality in relation to the matters dealt with in the Higher Education Law (5.3) including powers to:

- (a) Own and manage land and buildings;
- (b) Receive and manage funds from any legal source;
- (c) Set and receive fees;
- (d) Employ staff;
- (e) Enter into contracts for goods and services;
- (f) Form legal relationships with students;
- (g) Establish commercial enterprises for educational and research purposes;
- (h) Enter into agreements with other providers in Kosovo and with institutions internationally; and shall have such other powers necessary or expedient for the discharge of their functions.

AUTONOMY OF Higher Education Providers

According to Law Section (7.2) all licensed providers of higher education shall enjoy freedom of teaching, scientific and research work within their licenses without interference from public authorities other than as provided by the Law.

They have the rights to (a) Elect governing and management authorities and fix their terms of office;(b) Arrange their structures and activities through their own rules in conformity with the present

regulation and subsidiary instruments issued under it, other applicable law, and their statutes; (c) Choose teaching and other staff, set conditions for admission of students and methods of teaching and assessment of students; (d) Independently develop and implement curricula and research projects; (e) Choose subjects to be taught; and (f) Grant titles to professors and other staff.

The statutes of higher education providers (7.4) shall include provisions giving effect to academic freedom for staff and students.

The arrangements for governance and management of a public provider of higher education shall be set out in a statute (13.1.)

The Statute of the Higher Education Providers shall be issued in accordance with the Law on Higher Education. The statute of the public university shall contain provisions which:

(a) Vest principal responsibility for advice on academic matters in a Senate or equivalent body which includes among its membership elected representatives of academic staff and students; and (b) Otherwise secure appropriate participation in academic matters for students and staff. The statute of each public provider of higher education shall ensure that the following principles apply within the provider (13.5): (a) Equality of opportunity in employment and equal access to study and research, regardless of sex, race, sexual orientation, marital status, colour, language, belonging to an ethnic or national minority, political or religious belief and, so far as is reasonably practicable, age, physical or mental impairment; and (b) That all persons and bodies conduct themselves in accordance with the highest standards of selflessness, integrity, objectivity, accountability, openness, honesty and leadership: in discharging his or her official duties no person shall act as a delegate of any group of any description and shall neither seek nor accept any mandate: all persons must act at all times solely in the interests of the provider as a whole.

THE GOVERNING BODY

The Higher Education Institutions shall be governed by the governing authority of a public provider which shall be a Governing Council. The Governing Council shall have overall responsibility for the conduct of the affairs of the provider and its functions shall be detailed in the statute.

The council of administrators shall arrange for the publication of an annual report (14.7) on the performance of the provider and shall provide such information in the annual report as may be required by the Ministry and the KAA.

The principal management authority of a public university shall be the Rector (15.1). The principal management authority of a public university shall be the Rector (15.1). The Rector is elected from the Board among a list of five candidates proposed by the Senate for a period of three years, with a possible single renewal. The Deans are elected from among professors in the subjects covered with relevant academic and managerial qualifications and experience for a period of three years.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

FUNDING OF PUBLIC PROVIDERS (GENERAL PRINCIPLES OF FUNDING)

Funding of public higher education institutions in Kosova is regulated in accordance with Chapter V of the Law on Higher Education in Kosova. Licensed and accredited public providers of higher education may receive funding from the following sources according to the provisions of their statute:

- (a) Allocations made by the Ministry for teaching and research in the public interest;
- (b) Tuition and other fees paid by students;
- (c) Charges for commercial and other services;
- (d) Donations, gifts and endowments; and
- (e) Contracts with national, international, public or private bodies for teaching, research and consultancy.

According to this Law the public providers of higher education shall have the freedom to enter into contracts for any purpose related to higher education and, in the case of universities, research. Providers may invest funds other than public funds in any enterprise with educational or research purposes provided that: (a) No contract shall impose any charge over publicly-owned assets without the consent of the Ministry; and (b) Public funds are not put at risk.

Funds shall be allocated as one sum, paid to the provider at such intervals through the financial year as the Ministry shall determine (17.5). Within the limits of the license and any conditions attached to

the funds by the Ministry, the Governing Council of a public provider of higher education shall have freedom over the use of the funds allocated to it and shall be accountable to the Ministry accordingly.

Conditions of Funding shall be consistent with the statute of the Higher Education provider concerned and may relate to:

- (a) Financial control and audit; (b) Acquisition, use and disposal of land, buildings and equipment; (c) Level and applicability of tuition and other fees levied on students; and
- (d) Virement or transfer of funds allocated for teaching between subject fields.

18.3 The Ministry shall not impose any condition which would have the effect of limiting the ability of the provider operating within its statute to attract funding from other sources, including additional student places within the limits of the licence, provided that this does not in the Ministry's opinion:

- (a) Have a negative effect on the quality of education provided out of public funds; or
- (b) Prejudice the duty of the provider to conduct its affairs without discrimination on any ground such as sex, race, sexual orientation, marital status, colour, language, religion, political or other opinion, national, ethnic or social origin, association with a national community, property, birth or other status.

18.4 The Ministry may not impose any condition which restricts freedom of teaching within this Law, the licence and the accreditation of the provider.

ACCOUNTABILITY OF THE GOVERNING COUNCIL AND PRINCIPAL MANAGEMENT AUTHORITY OF A PUBLIC PROVIDER

According to the Law (19.1) the Governing Council of a public provider of higher education shall be accountable collectively to the Ministry for the proper and efficient use of funds allocated to the provider by the Ministry or other public source.

19.3 The principal management authority of a public provider of higher education shall report to the Ministry directly any action or omission of the council of administrators of the provider which, in the view of the principal management authority, constitutes an improper use of the public funds allocated to it. In such case, notwithstanding any provision of the statute of the provider to the contrary, no action may be taken against the principal management authority by the council of administrators except with the permission of the Ministry.

A public provider of higher education shall be free within the provisions of this Law, other applicable law, its licence and statute to take any measures to promote and exploit its education activities and, in the case of universities, research activities commercially for the benefit of the provider.

21.2 Where such commercial activity includes, or could potentially include, the exploitation of any significant intellectual property right in any literary, artistic or scientific works, scientific discoveries, designs, inventions, materials, goods or services provided wholly or partially, or directly or indirectly out of public funds, the provider shall seek the prior approval of the Ministry. The Ministry shall determine what is a significant intellectual property right for the purposes of this Section.

ACADEMIC FREEDOM AND PROTECTION FROM MEASURES

Every provider of higher education shall include in its statute or equivalent constitutional document that academic staff have freedom within the law (25.1) to question and test received wisdom and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their job or any privileges they may have with the provider.

25.2 The right of academic staff of providers of higher education to freedom of speech may only be restricted by law.

25.3 Academic staff of public universities shall have the freedom to publish the results of their research, subject to rules made by the university relating to the exploitation of intellectual property rights for the benefit of the university.

25.4 The statute of every public provider of higher education, and the constitution of every private provider of higher education shall, as a condition of accreditation, contain provisions which:

- (a) Secure for staff freedom of organisation and assembly within the law; and
- (b) Protect staff against discrimination on any ground such as sex, race, sexual orientation, marital status, colour, language, religion, political or other opinion, national, ethnic or social origin, association with a national community, property, birth or other status.

The education system in Kosovo is decentralized. Based on the new governing structure of the Kosovo education system, the Ministry of Education, Science, and Technology directly delegate the competence of management and administration to the Higher Education Institutions and to the municipality.

Montenegro

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

Currently the major challenge in higher education reforms relates to the changes and amendments of the Law on Higher Education. Working Group has already been appointed, and consists of representatives of Ministry of Education and Science, University of Montenegro and private HEIs. The issues that will be subject to changes are issues of financing of higher education, change of structure of Council of Higher Education (involvement of students` representatives), change of function and status of Council of Higher Education, issues related to the rights of students of both public and private HEIs with regard to social dimension etc.

The second important challenge relates to the creation of Norms and Standards for Financing Higher Education.

University of Montenegro adopts the principle of institutionalization of higher education, external evaluation with the purpose of defining the future directions of development, as well as introduction of quality assurance of higher education and research at all study levels.

Dynamic reform process imposes many questions such as:

-The question of the role of state policy in assuring the requests coming from the European level. Like in other countries in South East Europe, the higher education in Montenegro, as well as the University of Montenegro (UOM), is facing the multiple challenges in combining extensive and deep institutional reform with a new approach in assuring the quality of education and research. Facing difficult situation of sustainability, UOM is dealing with another big challenge: how to avoid the „label“ of „lecturing“ university and strengthen the research results. Progress in this topic is made using European funds. The question is how the entire system could be made flexible and open to changes in the educational process, innovation and other key functions. Lack of National Strategy of Higher Education is recognized as the key issue in overcoming the problems. The Strategy of Higher Education is one the most important challenges in higher education reforms. Strategy should define the overall higher education policy and development, and some of the key elements that will be addressed in the future strategy will be related to the financing of HEIs, social dimension, better response of HEIs to the labour market needs through permanent updating of the curricula, enabling possibilities for life long learning at the HEIs et. The University has already faced the processes of internal and external evaluation of educational system with the reaccreditation processes, conducted in December 2007, as well as internal and external evaluation of research capacities with the aim to prepare a strategic document of overall capacities' upgrading.

Management of the UOM is integrated, both in the decision making system as well as in academic issues. Among good aspect of integration is also the possibility to conduct all the necessary activities concerning educational process in the harmonized and standardized way as well as getting the transparent feedback from the academic community. The system of financing is also improved in controlability, i.e. in tools for more efficient control of money flow between the University and University units.

The level of implementation of the national standards for quality assurance is another important issue related to university governance. The University of Montenegro is at the beginning of the implementation of quality assurance through projects financed from WUS, EU funds and University of Montenegro. Tempus project „JEP-16050-2001 Development of Quality Assurance in Higher Education“, and recently, the funds from WUS and IPA 2007 have been used to establish operational Quality assurance centre at the University of Montenegro. This will be one of the challenges in the future, which should be focused on several aspects: institutional participation and responsibility in ensuring the quality, as well as participation and responsibility of students. Standardized and well-based system of quality assurance will help in the implementation of many other important issues:

- Introduction of „joint“ or „double degrees“,
- recognition of professional qualifications,
- recognition of prior learning,
- introduction of non-formal and informal education
- Life Long Learning
- national qualification framework

The University governance is actively involved in this process. The Strategy for the Development of National Qualifications Framework adopted by the Government in 2008 (with active participation of University representatives, both public and private) is a good precondition for the development of the future Law on National Qualifications Framework and University Strategy for Developing Quality Assurance, which is to be done in the framework of the project IPA 2007 »Developing of NQF and Quality Assurance at University of Montenegro«. Being the only public university in Montenegro, University of Montenegro had the privilege of introducing some new issues at the national level. Nowadays the situation is changing rapidly, the higher education environment is changing as well, so the University of Montenegro is facing rapidly growing competitiveness at the national level.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

1A - External governance – Providing and safeguarding the autonomy of higher education institutions

Within the Ministry of Education and Science, Department of Higher education is responsible for the higher education policy. The task of the Ministry is work on the improvement of higher education legislation, and its harmonization with the EU and regional good practices and recommendations. The Ministry of Education and Science proposes the higher education acts and laws, but representatives of HEIs both public and private, as well as other relevant stakeholders are always involved in the working groups that are responsible for the respective legislation.

- Novelty in HE system in Montenegro is introduction of the private faculties and universities, which are funded through private financial resources only. The Law states they can also be funded from the budget in case the state finds it important for the overall state interest. They also have their own by-law acts, defining their enrolment policy, height of tuition fees, but once given the licence they can enrol only certain number of students prescribed by the licence.
- The Ministry is responsible for issuing licences to private HEIs, and the Council of Higher Education gives the accreditation certificates. On the other hand, public HEIs, apart from already mentioned, must get approval of the Ministry for the tuition fee amount.

The Law on Higher Education guarantees the autonomy of HEIs, which implies possibility to perform educational activities, and implies complete autonomy in realisation of these educational activities, possibility to establish cooperation with industry sector and earn some profit for the HEIs concerned.

One of challenges with respect to the autonomy of HEIs is to introduce the same rules for enrolment policy at both public and private HEIs, without diminishing the autonomy of HEIs.

According to the Law on Higher education, equality with regard to gender, race, language, religion, political and any other influence is granted to all HEIs.

1B - External governance - Professionalisation of public management and administration of higher education

Department of Higher Education consists of people who are responsible for various aspects of higher education, such as higher education policy, recognition, quality assurance, mobility etc.

The ministry is oriented towards professionalization of its human resources, and it is investing in human resources capacity building and their professional development.

Professionalization of university personnel administration is also necessary in order to have stronger administrative capacities at HEIs to be able to respond adequately to the international cooperation and other issues of relevance for higher education.

With regard to quality assurance, Quality Assurance Center was established at the University of Montenegro, which implies conducting the permanent quality assurance procedures at University of Montenegro and its study programmes, development of appropriate indicators, relations with employers/the public, issues related to international ranking, approval, monitoring and periodic review of programmes and awards, conducting permanent internal evaluations...

A challenge for the future period is to establish mechanism for permanent quality assurance at all HEIs, both public and private. Criteria for ranking of all HEIs should be established, taking into account the results of the quality assurance reviews.

Council of Higher Education represents a governmental body composed of the representatives of HEIs, Ministry and economic sector. In the future, it is planned for student representative to be also a member of the Council. According to the Law on Higher Education, Council should perform the role of advisory body to the Government, appointing the members of accreditation commissions, and is also responsible for the creation of higher education strategy. Among other things, Council is responsible for the accreditation of study programmes, and it is one of the major roles of the Council of Higher Education. Council both appoints the expert commission and gives its opinion on the proposed study programmes.

The expectations are that this will change in the future. The major role of the Council should be to follow the quality assurance of higher education in general at both public and private HEIs, and take proactive part in defining higher education strategy and its development orientation. We also consider that they should be more present and active in international cooperation.

At the moment, social dimension is not considered in higher education policy, but it is a must for the future. Ministry of Education and Science will be coordinating the working group that will define criteria and norms for financing the higher education, and social dimension would definitely be an inevitable element of this document, and social dimension certainly needs to remain the challenge and obligation for the ministry.

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

2A – University governance structures, membership and responsibilities: engaging students, academics and external stakeholders

According to the Law on Higher Education, all issues of importance for the activities of higher education institutions are prescribed by the Statute of a HEI.

Governing body of the University is the Governing Board (Upravni odbor), and its main roles are defined by Statute of University, and are as follows:

- Establish educational, research, scientific and policy development;

- Brings into force Statute of University;
- Considers and defines the university budget;
- Defines tuition fees, with the approval of the Ministry of Education and Science;
- Adopts the Rulebook on allocation of the state budget;
- Appoints and dismisses rector, vice-rectors, deans and directors of organisational units of university ...

Rector is managing the university. Rector is appointed by Governing Board at the proposal of Senate. Senate is the highest academic body. Authorities, composition, duration of mandates, manner of work, decision-making are closely defined by Statute. The similar situation as regards the university governance structure is at both public and private HEIs. Private HEIs independently define their model of governance.

The University of Montenegro existence is primarily based on its service and its responsiveness to the needs of its staff, students, alumni, government as well as external partners and clients from academia, industry and non-profit sector. University primary obligation is to provide a stimulating environment for work, personal development, advancement and rewards based on the contribution and values. The intention is to raise awareness about the most important issues in order to involve the academic community as much as possible. One of the latest examples is its engagement in writing strategic document for research for the period of next three. In that sense, the process has been organized through the extensive consultation with the University leadership and individual faculties/institutes, a synthesis of the inputs and recommendations from the external evaluation process, internal evaluation involving the widest community as well as students' representatives, individual proposals from each university unit and their recommendations as well as their inputs. This comprehensive approach enables adequate positioning of all the academic groups inside the university. University shows the willingness and desire to recognize and reward dedication, contribution, superior quality of active staff as a key instrument for motivation. Recently the fund for development of the human capital has been created and it offers a number of funding possibilities and rewards. UOM has established a new fund to recognize the outstanding research efforts through the publication in high level impact factor publications. All these measures recognize the excellence and are meant to create the base for "based-on-values culture". The future activities will be oriented towards the rewarding of quality of teaching, curricular innovation and responsiveness to learner diversity in the academic career structure of faculty members, as well as to provide faculty with the pedagogical training based on the culture of student-centred learning and focus on learning outcomes. The university obligation towards its students is to deliver an outstanding learning experience through supportive learning environment and personal development opportunities. Students are organized through the Students' Parliament which is directly involved in decision making system in academic issues as well as financial management issues. Starting from the Scientific councils at the faculties, students have no less than 15% of overall representatives in the council. Their participation in Senate is about 15% of overall number of representatives. They are actively present also in the Governing Board which is the supreme body for all the non-academic issues. The representatives in all the bodies are chosen regularly by the whole students' population. Up to now there have been no students' representatives in the National Council of Higher Education, but the amendments of the existing Law on Higher education will change this.

2B – Governance and University structures (faculties, departments and institutes) towards an integrated university

Faculties, institutes and academies present the university organisational units. All university units have their councils (Vijeće). Dean is managing the faculty/institute. Institutes have directors/deans as managing entities, and they also have their professional councils (stručna vijeća). Internal organisational units of university are: rectorate, university library, center for information system, office for maintenance of university buildings.

An important element for the integration is backing of overall university administrative leadership who must be strong advocate of the University mission. Administration leadership of all levels (university units as well as Rectorate) should work together to increase productivity; contribute to better integration of research in teaching. UOM is preparing the internal portal which will inform the whole community as well as students about the new proposals' wins, new funding schemes, stimulation for research and teaching, research training schedule. UOM is an integrated university as from 2004, but the integration is still not fully operational especially concerning the financial issues. Some "powerful" units still prefer to contribute to the overall development minimally, although that is regulated by the Statute, which means financial contribution to the common "pot", provided by the percentage from the fees and all the incomes from the business-oriented activities. University actually deals with this issue

by trying to foster common external communication with other stakeholders. It is going to interact with media and general public to develop an understanding of, and build support for, the need and value of institutional approach. Besides that, UOM management is trying to foster some activities of common interest, giving them the institutional importance like institutional policies for international mobility, academic exchange, as well as other cross-border educational activities. In order to foster the institutional aspect, UOM also provides reliable and timely information on access, retention and graduation rates at the level of University to employers and Government in a proactive manner. University will continue to work in partnership with the Government, representatives of other educational sectors, professional associations and employers in order to address issues of access and successful participation in holistic manner, taking into consideration the outcomes of secondary level schooling, labour market trends and national development needs. It is also going to participate in multi-stakeholder dialogue with Government and competent bodies to develop policies and secure adequate financial support for the pursuit of the access and success agenda.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

3A - Governance implications of new budget responsibilities: consequences in terms of organisation, procedures and human resources

In order to achieve the goals in the situation of severe budget reduction imposed by Government, the University and its units will actively pursue income growth and income diversity by working together in the collective interest through sharing resources, skills, information, contacts, and working within interdisciplinary research teams. The University must steward and expand its financial resources and facilities. The University ultimate goal is to achieve academic and financial sustainability across all University research units in the long run. To support, facilitate, and enhance the funding situation University will:

- manage research costs, resources and risks, improve assets utilization to deliver optimum research results
- actively grow and diversify sources of research income through pursuing new external funding opportunities, broaden its base and strategically invest them in the future.
- seek continual increases for internal funding support for research

The University will try to fully capitalize on its new status gained within FP7 Program for research and technological development in 2006, when Montenegro joined the FP7 Program as a participant with equal rights as other EU countries. Under the Program FP6, Montenegro has been treated as a third country and had a limited access for participation.

3B – Governance – role and responsibilities in recruitment, retention, rewarding, developing and evaluating academic, technical and administrative staff

One of the basic needs in that respect is to harmonize the criteria for scientific awarding and promotion at the level of University as well as to align them with the national ones. Like the whole country, University is also suffering from the lack of statistics in the field of science and research, data bases about the researchers and research results, consistent scientific indicators. Recently, University has started to deal with these problems through the process of data base of publications (by awarding the authors), as well as defining the precise criteria for the promotion.

In this regard, it is very important to harmonize the national and institutional strategies for the development of research work with the context of the Lisbon strategy. First of all, the maximum use of research results, the effective management of intellectual property rights and coordination with the efforts that are made by the main European initiatives such as the NET scheme and the joint technological initiatives, derived from Article 169 of the Charter of the EU.

The issue of the lack of links with industry is growing in importance. There are no traces of systematic know-how and technology transfer from the University until now. This situation was followed by very poor international links and information about the available initiatives and funding. Several months ago, as a part of Tempus project »SM– 145180–2008 “Creating R&D Capacities and Instruments for boosting Higher Education-Economy Cooperation”. University opened the RTD service center which

has started with the promotion of business environment as well as promotion of possible funds available. The dissemination activities have been fostered as well.

Under this strategic orientation, the University is fully committed to support its research enterprise by increasing support to researchers and enhancing the efficiency of research administration. One of the ideas is the establishing of University research service centre with the primary role of maintaining and enhancing the synergy and collegial research environment between all University units and University as a whole with the business environment. The centre will support the individual efforts of researchers as well as encourage and coordinate interdisciplinary research activities across the University. It will encourage a flat decentralized system of decision making with assertive participative governance and feedback with a free-flow of communication. Research leaders and staff will enhance improved co-ordination and reporting.

Serbia

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Part 1 – Overall description of the ongoing reforms at the local level and initiatives in University governance

The higher education in Serbia has passed through serious reform processes in the current decade, the concept and the results being recognized as valuable and very successful in two last reports on Ministerial Conferences related to the Bologna process implementation. Reformatory Law on Higher Education (LHE) encompassed new architecture of the HE system based on main Bologna process action lines. As regards the structural and institutional reforms, new approaches to the study system underlining the necessity of curriculum reform, introduction of external and internal quality assurance system and new approach to student participation are adopted. Serbian higher education system is faced, at present, with the need to reconsider critically the obtained results and to continue the reform processes, enhancing the quality and relevance of the higher education institutions, as well as the general harmonization with the current EU developments.

At the central level, the main responsibility for higher education lies with Ministry of Education and National Council for Higher Education.

The Ministry of Education represents governmental authority in charge of higher education. It recommends policy to the Government, plans the admission policy for students, allocates the financial resources to higher education institutions, oversees the overall development of higher education and takes care of execution of the decisions of importance.

Several new bodies (“buffers”) responsible for strategic planning, quality assurance and policy decision-making characterize the governance at the system level. These are:

The National Council of Higher Education, (NCHE) has the highest responsibility for strategic planning and decisions about main issues relevant for the coherence of the HE system such as setting standards for internal assessment and quality evaluation of HE institutions and establishing standards for the issuance of work permits. The Council is an independent body, being mainly constituted of academicians proposed by Conference of Serbian Universities (CSU) and appointed by the decision of the National Assembly.

The Conference of Serbian Universities (CSU) is the second important pillar being the elected body by all of accredited universities. It has a coordinating role, the right of proposing major policy papers on higher education. It harmonizes the development of the university structures, taking into account, at the same time, the diversity of Serbian universities and complexity of the higher education structure.

The Students Conference of Serbian Universities (SCSU) is the third pillar of the system, since the partnership should be realized through authentic student voice based on coordination at the system level.

Tempus programme contributed the improvement of the governance system at universities. One of the projects with the most important impact was “Towards an Integrated University via Internal Agreement”. The Project initiated and pioneered the process of internal integration in Serbia including promotion of common university standards for all services, central information system as a framework for the improvement of university management and governance as well as university framework for students' organizing and participation in the university governance.

During its life time the project provided a platform for discussions concerning higher education institutional reforms and provided assistance in drafting the most sensitive parts of national higher education legislation (university statutes, Law on Higher Education, Law on student's organising) related to the internal university integration.

TEMPUS project “Governance and Management Reform in Higher Education in Serbia” which started in January 2010, is directed to the main issues of the governance system - improvement of the higher education policy, strategy and regulations. It incorporates specific goals concerning the legal environment improvement based on the analysis of its application, university integration, and further implementation of the basic Bologna process action lines, in order to consider critically and propose the strategic decisions at the system level.

Another challenge for the whole education system, including higher education is the creation of an overall education strategy for the 5-10 following years. The progress in this respect is expected during 2010. The strategy also needs to include trends related to lifelong learning as a guiding perspective unifying all factors that shape the education system.

Reform of financing of higher education system, measures for improvement of student mobility and recognition, strengthening the links between science and teaching are the challenges for all stakeholders and therefore they need to be addressed in the strategy document.

Part 2 – Themes to be discussed during the working groups

Theme 1: From a regulatory state to a supervisory state: new emerging mission, functions and roles for the Ministries

1A - External governance – Providing and safeguarding the autonomy of higher education institutions

Higher education in Serbia is formally safe from open political influence; this is defined through the Law on higher education. However, some smaller organizations have been trying to influence universities from time to time, but this does not affect the system as a whole. It has to be noted, at the same time, that some university professors are active as members of the National Assembly and in their political parties. Even though they do not openly declare their activism at the university, this might affect the most important issues related to governance of higher education system, like adoption of laws.

All higher education institutions in Serbia have equal rights and responsibilities, regardless of the owner. Broad autonomy is guaranteed by the HE law. This refers to the right to decide about the rules of study and admission requirements for students, to regulate the internal set-up, to adopt a Statute and elect the administrative body and other bodies in accordance with this Law, to elect teaching and other staff, to issue public documents, to dispose of financial resources, to use the property and to decide on the acceptance of projects and on international cooperation.

Therefore, the academic autonomy is not endangered in any way when the Law on higher education is analyzed. However, there are some elements of the present Law that might be amended in future: owner of the private university can not run that institution if he or she is not a rector and a precondition for becoming a rector is to be a university professor. At the same time, those who are employed by a private university can not count on the stability of university mission and are in a more sensitive position than their colleagues employed by a state founded institutions.

The increased role of private funding may have an impact on decrease of the autonomy of higher education institutions.

1B - External governance - Professionalisation of public management and administration of higher education

From 2005, when the National Council for Higher Education was founded, some responsibilities, like strategic planning and policy development ceased to be the primary responsibility of the Ministry for Education. The Ministry is now mostly in charge of proposing the laws in the area of higher education, adopting the appropriate bylaws and forms that have to be applied at national level, following up of Bologna process implementation, controlling the application of this regulation at institutions and of information about the eligibility of diplomas issued by the Serbian institutions through ENIC/NARIC network.

Theme 2: Towards autonomous and socially accountable universities: governance and governing structures

2A – University governance structures, membership and responsibilities: engaging students, academics and external stakeholders

Higher education activities in Serbia are carried out by the following higher education institutions: universities, faculties or academies of arts within universities, higher education colleges of academic studies (visoke škole akademskih studija) higher education colleges of applied studies (visoke škole strukovnih studija). Universities are multidisciplinary institutions awarding Bachelor, Masters and Doctoral Degrees. The higher education colleges provide education in one or several disciplines and award only Bachelor and Masters or Professional Specialisation Degrees. Universities and the higher education colleges are independent higher education institutions. The faculty is a higher education institution unit of the university.

In Serbia the faculties are very strong and they have status of independent legal bodies. Therefore, the university effectively acts as an umbrella organisation.

The basic framework of decision-making bodies is stipulated in LHE. The law contains guidelines for the formation and structure of the decision-making body as well as the groups represented in them and the selection of members. The selection methods are left for the university itself to define.

The universities have a dual governance structure comprising **Council and Senate**. The Council is the administrative body of a higher education institution. The council is responsible for long-term strategic decisions, such as deciding on statutes, strategic plans, selection of the rector and vice-rectors, and budget allocation. The Council of the higher education institution comprises the representatives of the institution, students and the founder. Up to two thirds of the total number of Council members are the representatives of the higher education institution and one thirds of the total number of Council members are students and the representatives of the founder. When the Republic is the founder, the representatives of the founder shall be nominated by the Government.

Management staff from enterprises and officials from other organizations are very frequently representatives of the founders.

The Senate is the professional body of the university, and the professional body of a faculty and/or an academy of arts. The senate is responsible for academic issues, such as curriculum, degrees and staff promotions. The Senate consist of internal members - professors (deans of faculties at university, or academic staff at faculty) and students. Twenty per cent of the members of Senate (at university, or faculty) are student representatives.

The ability of universities to decide on their executive leadership is key indicator of organisational autonomy. The executive officer of the university is **Rector**, of a faculty- Dean, of an academy of professional career studies - President; and the higher education colleges, -Head.

A rector or a dean is elected in cooperation of two bodies Council and Senate. The rector is elected from among the professors of university who are employed full time. The rector is elected for a period of three years with a possibility of being re-elected for another period of three years. The rector's qualifications are not stipulated in the law. The precise conditions, as well as the manner and procedure of selection, competencies and responsibility of the rector (or dean) are regulated by the

Statute of a higher education institution. In Serbia the rector is part of Senate as a voting member and as the chairperson. The rector is not voting member of Council.

Students are represented in the National Council for Higher Education (NCHE) as nonvoting members and very indirectly included in the reviewing process since NCHE deals with the higher education institution appeals on the accreditation and quality assurance decisions made by Commission for Accreditation and Quality Control (CAQA). Students are not included in the external review teams but all external review teams (CAQA sub-commissions) consult obligatorily selected groups of students during site visits. Students are involved in the preparation of self-assessment reports and in the follow-up procedures.

The quality of student participation in all aspects of Bologna Process implementation needs to be increased. Student representatives often lack basic knowledge on their role in tuning of teaching process. If they are not aware of the nature of their role and why they are members of certain governing structures, then they might be manipulated or force certain changes that are not actually in their interest.

2B – Governance and University structures (faculties, departments and institutes) towards an integrated university

The university is independent higher education institution that in carrying out its activities combines educational and scientific-research, professional and/or artistic work. For the purpose of promoting scientific research, a university may have research institutes and other scientific research institutions attached to it. The Statute determines the structure and governance.

Serbian universities are not integrated. Providing uniform solution to this issues is a very complex issue because universities differ in number of students (from a 2-3000 to 80 000) and teaching staff (from 50 to 5000) as well as in the scientific areas that they cover.

At the moment only two accredited universities (one private and one state) are fully integrated. A university integrates the functions of all its units, particularly the faculties, by conducting unified policies aimed at continual promotion of the quality of courses and improvement of scientific research and artistic creativity. The university has specific integrative functions in the following fields:

- establishment of unified standards of work of departments and services and unified standards for creating data bases of all units;
- strategic planning;
- adoption of study programmes;
- quality assurance and control;
- enrolment policy;
- election of teachers;
- issuance of diplomas and supplement diplomas;
- international cooperation;
- investment planning;
- employment policy planning and the hiring of teachers and associates;
- establishment and development of a unified information system;
- lifelong learning.

Some central services are developed mainly at central level – university libraries, centres for career development, centres for students with disabilities.

Both public and private institutions are governed by same higher education law. Seven state and one private university are accredited while more higher education institutions are under accreditation procedure.

Opened questions and expected developments: Internal integration of the university could be considered as top priority in establishing the university according to the European standards. This topic is widely discussed at both system and institutional level. Only integrated university, with “one voice outside”, will be able to develop its own strategy and policies, taking the responsibility towards the state and society for its own development. However, there are many opened questions and dilemmas when one comes to the model of functional integration versus centralization. In addition, variation of the complexity of university structure, size and other characteristics makes finding solution about an optimal model of integration not that simple. The model should be carefully developed and considered in the academic community, with the underlining principle of balance between the

enhanced responsibility of universities for strategic development and necessity of both power and responsibility distribution to different levels of decision-making. The fear that integration should lead to centralization is still present in the broader academic community, especially having in mind that the universities are very specific in their structures, which have to promote and support the active approaches at all levels, starting from research groups, laboratories, departments, and faculties to the university level. The preferences of integration concept concerning the modern approach to interdisciplinary and multidisciplinary studies and research should be better explained and understood. Bringing to the forefront the “broad picture” and development vision of the institution overall is still a great challenge for university managements and governance.

Theme 3: Towards autonomous and socially accountable universities: financial and human resources management in a context of autonomous integrated universities

Various sources of funding of higher education institutions are determined by the Law. Therefore, a higher education institution may acquire funds from the following sources:

- 1) funds provided by the founder;
- 2) tuition fees;
- 3) donations, gifts and endowments;
- 4) funds for financing scientific research, artistic and professional work;
- 5) projects and contracts related to the carrying out of courses of study, research and consulting services;
- 6) remuneration for commercial and other services;
- 7) rights of the founder and contracts with third persons;
- 8) other sources in accordance with the law.

State founded and private founded universities are in a different position in relation to the funding.

A higher education institution founded by the state acquires funds for the implementation of approved and/or accredited study programmes within the framework of its activities on the basis of a contract concluded between the independent higher education institution and the Government upon obtaining prior advice from the Ministry.

The Law gives some possibilities of negotiation between the state founded institution and the state, but this has never been applied and the lump sum never transferred to universities – the lump sum is transferred in practice from state budget to state founded faculties, it does not pass through university account which is the possibility contained in LHE. This topic is of special importance and has to be seriously reconsidered and reformed.

The funds that a higher education institution and/or a higher education unit acquires, except for the funds provided by the Republic, make up the own income of that higher education institution and/or unit. These funds include tuition fees, provision of services to third persons, gifts, donations, sponsorships and other sources of fund acquisition. These funds are disposed of by a higher education institution and/or higher education unit with the capacity of a legal entity in accordance with the law and the general act of that higher education institution and/or higher education unit.

The issue of increase of private funding for higher education is addressed in the National plan for the competence improvement adopted by the Government of the Republic of Serbia.

Students' contributions and financial support: There are two categories of students in the respect to funding: state funded students who study at state founded higher education institutions and self funded students who exist in all types of higher education institutions. The tuition fees for self funded students are determined by higher education institutions, usually faculties. The criteria for determining the level of the fees is established by the general act of a higher education institution, but it is often unclear for students.

Students who study at state founded higher education institutions can apply for use of student homes – they can live there under very beneficial conditions. Student restaurants can be also used under the same conditions.

Admission: Main elements of admission policy are defined by Law on Higher Education. These rules apply to all who wish to enrol into higher education institution.

First, an independent higher education institution announces an admission competition which contains the number of students to be admitted to individual study programmes, admission conditions, criteria for candidates' rating lists and the procedure for carrying out the competition. The number of students is determined by higher education institution. The number of students may not exceed the number set in the work permit.

For a higher education institution whose founder is the Republic, the Government, i.e. Ministry of Education takes the decision on the number of students to be enrolled in the freshman year of a study programme financed from the budget. The decision is taken upon receiving advice from higher education institutions and the National Council not later than two months prior to the announcement of a competition.

Creation of interdisciplinary and multidisciplinary study programmes has increased importance of integration of universities in Serbia from the perspective of finding solution for payment of teachers who organize these multidisciplinary programmes. Namely, the teachers in such programmes come from two or more faculties of a same university while officially they can be employed and can receive salary only from one faculty of the university.

Enhanced international cooperation and numerous projects implemented at the higher education institutions make integration of funding at the central, university level necessary. An example can be Tempus programme in which Rector's authority is required to be legally responsible for the proper projects implementation and its success. Consequently, the Rectors in Serbia now require the Tempus project funds to stay at the central, Rectorate account under close supervision of central university financial services.

3A - Governance implications of new budget responsibilities: consequences in terms of organisation, procedures and human resources

Orientation of higher education institutions towards new sources of funding – private sector and various funds like EU programmes, implies the need for further human resource development of administration. At the same time, the trend of most countries is to integrate certain services at central level in order to raise cost effectiveness and coordination of management of various types of activities within the same higher education institution.

This issue has been a subject of ongoing discussion for some time in Serbia. There are two approaches – 1) that new structures have to be implemented at university level and 2) that integration is not solution, many members of academic community still do not want to accept the idea of integrated university.

3B – Governance – role and responsibilities in recruitment, retention, rewarding, developing and evaluating academic, technical and administrative staff

Academic staff: The main categories of teaching staff are teachers, researchers and associates. The ranks of teachers in a higher education institution include: lecturer, professor of college of applied sciences, docent, associate professor and full professor. Conditions for election into the next rank are defined by the Law, but a higher education institution may also treat these requirements as a minimum and also define additional criteria.

Traditionally, those who publish articles in internationally recognized journals and who are evaluated by their colleagues as good teachers will have the opportunity to apply for the next rank of teachers. Cooperation with industry in tuning the study programmes, participation in technology transfer, ability for work with foreign students and some other important issues are usually not criteria for this type of rewarding of academic staff.

One of the obstacles for full integration of universities is a misbalance between the salaries of academic staff – staff from various faculties of the same university usually has different salaries. The final decision depends of the dean of the faculty who can decide whether to transfer part of faculty's own income into salaries of the staff. In the respect of the salaries deans are those who decide, not rectors.

Currently, some universities work on modifying the internal bylaws related to human resource management of university staff. Participation in various types of projects is also used sometimes for motivation of all types of staff.

It has also to be stressed that real competition between the staff will be fully implemented when the students are granted the right to enrol the course and not the year of the study programme. If this enters into practice, those teachers whose courses are more popular would have the opportunity to become rewarded; others would need to reconsider their approach towards teaching and attractiveness of their courses.

Research activities: Traditionally, all university institutions in Serbia have been linked to research through scientific projects granted by the Ministry of Science and Technological Development (<http://www.nauka.gov.rs>). In parallel with academic accreditation all faculties of universities have to obtain national accreditation for scientific research. The Law on Higher Education also provides research as a necessary part of academic life. It always was and still is an obligatory task for all academic institutions and their teaching staff. It is not obligatory for higher education institutions for applied sciences.

Technical and administrative staff: Administrative staff at higher education institutions can be divided into two groups:

- administrative staff at the central, university level, such as university libraries, career guidance centres, services for disabled students
- administrative staff at the individual faculties mainly in form of various types of student services

At the state funded higher education institutions, the number of administrative employees is set the Ministry of education and corresponds to the size of an institution (number of students and teachers). The institution however, may use its sources of funding (income generated by other sources apart from state funding) and employ more administrative staff according to its needs.

Their role in governance however, is practically non-existent. Not being members of the faculty bodies, apart from the Faculty Council they cannot give formal suggestions in order to improve governance except in private interviews with the officials. This should be corrected since they first become aware of many problems in direct administrative contact with the students.

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