

HEIs funding

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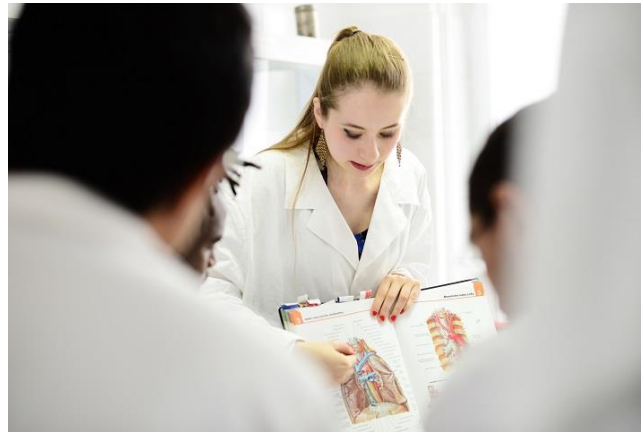


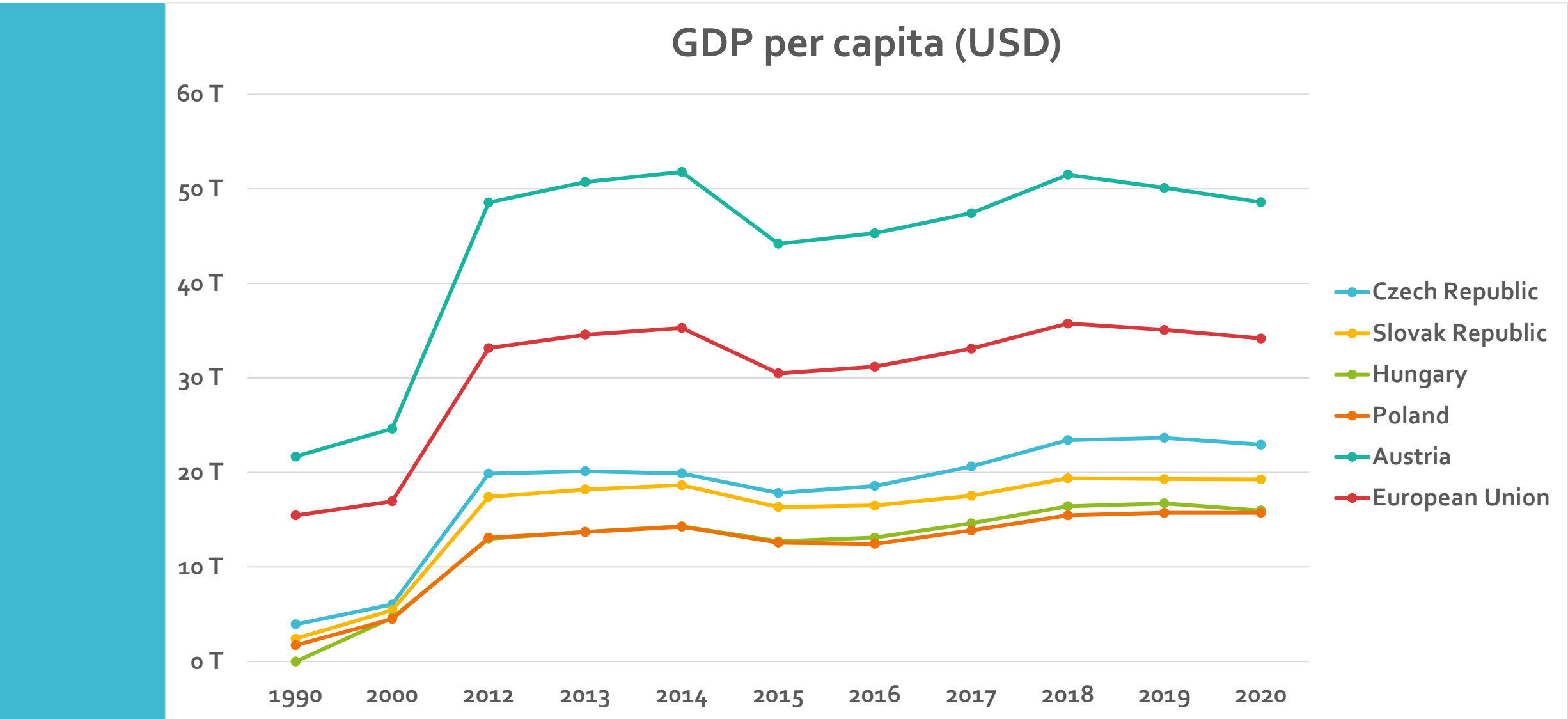
Budapešť 26. 5. 2023

Obsah

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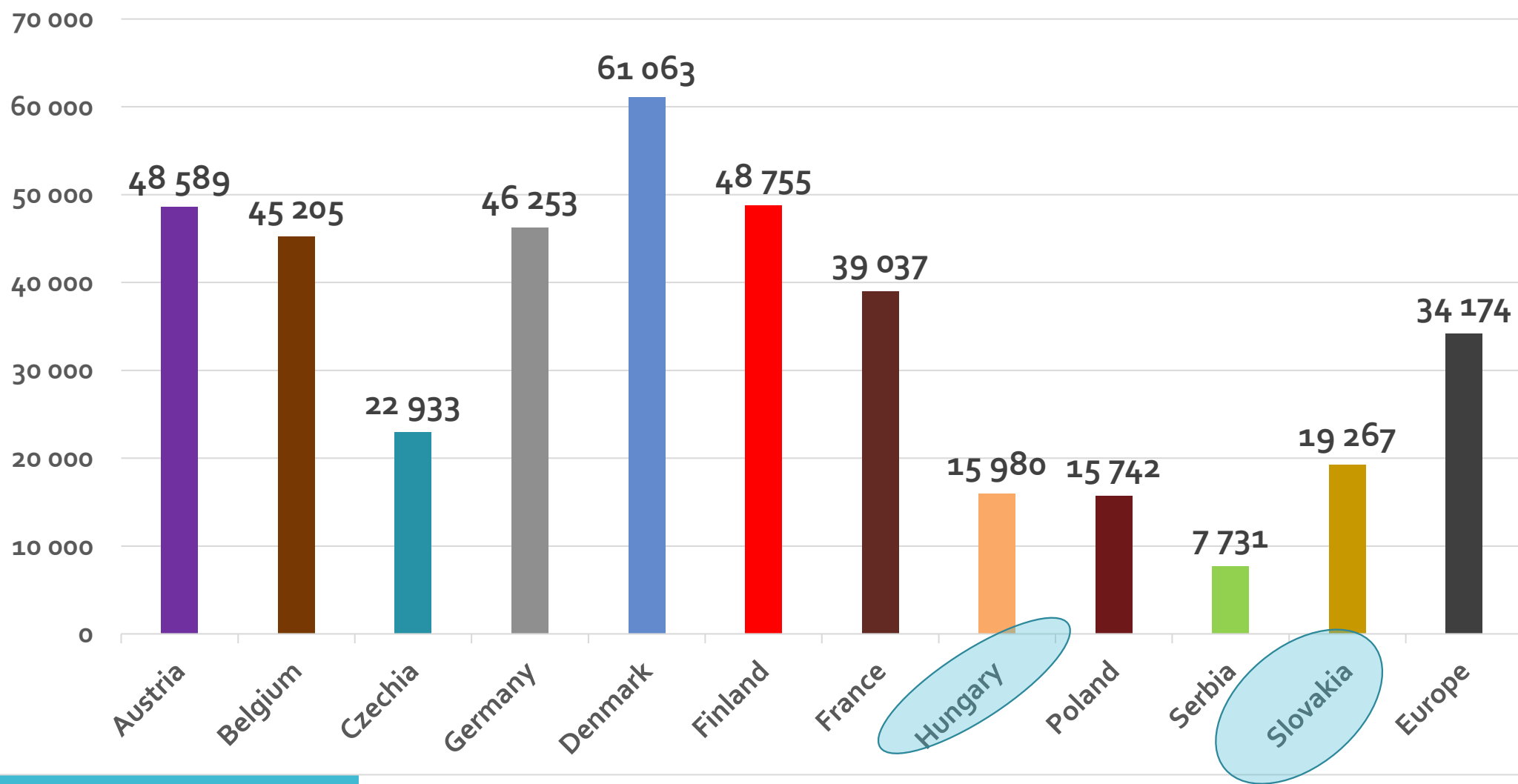
1. HE funding – a comparison





Source: World Bank national accounts data, and OECD National Accounts data files, GDP per capita (current US\$), <https://data.worldbank.org/>

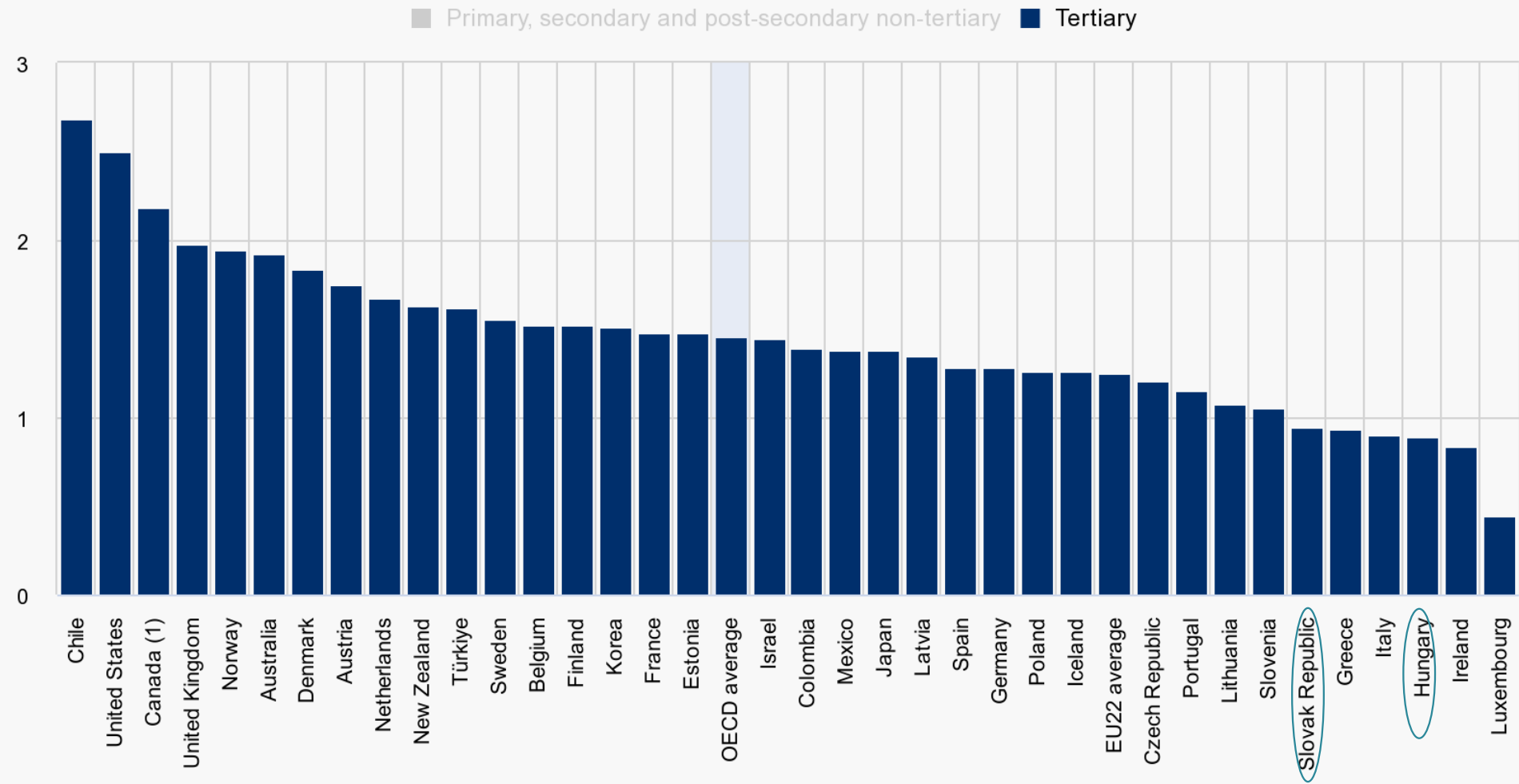
GDP per capita in some European countries (2020)



Source: World Bank national accounts data, and OECD National Accounts data files, GDP per capita (current US\$), <https://data.worldbank.org/>

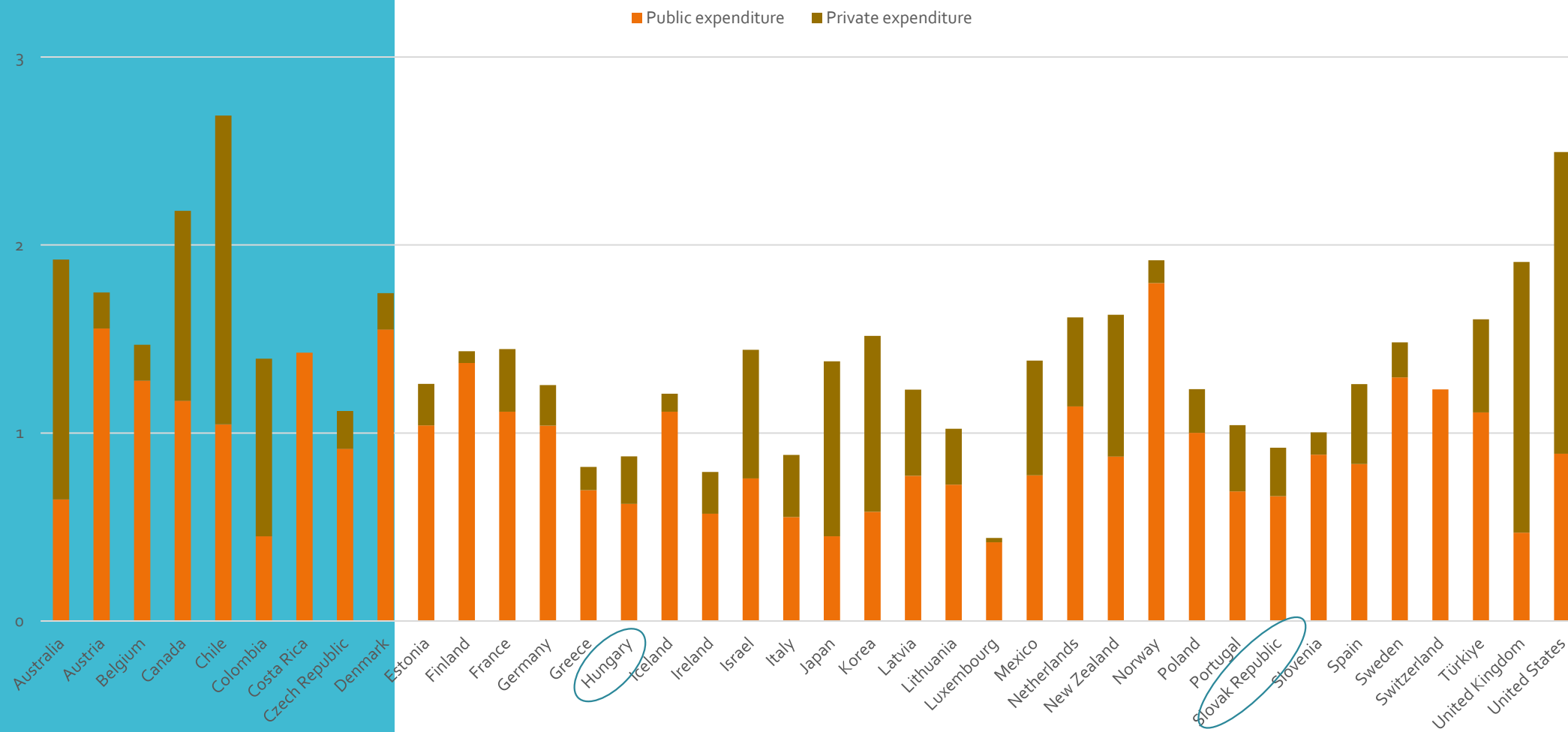
Total expenditure on educational institutions as a share of GDP in %, 2019 – HEIs (OECD)

Figure C2.1. Total expenditure on educational institutions as a share of GDP (2019)



Total expenditure on educational institutions as a share of GDP in %, 2019 – by source of funding, HEIs (OECD)

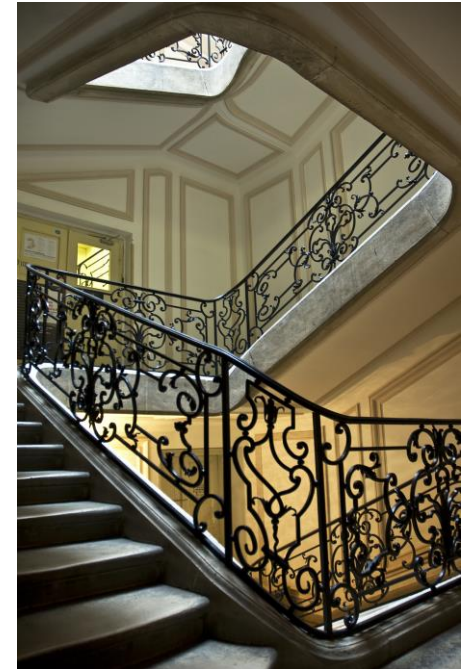
Table C2.3. Total expenditure on educational institutions as a percentage of GDP, by source of funds (2019)
Tertiary education, after transfers, in per cent



Comparison of annual expenses per student (2019)

	Expenses on higher education	Expenses on HE science	Expenses on students' services in HE	Total (in thousands, PPP USD, 2019)
	share of total	share of total	share of total	100 %
SR	8,013	2,716	2,020	12,749
	63 %	21 %	16 %	
V ₃	9,540	4,285	319	14,143
	68 %	30 %	2 %	
OECD	11,975	6,198	713	18,885
	63 %	33 %	4 %	

2. System of HEIs funding in SR



HE in SR

- Public HEIs (20) – source: state budget, Ministry of education, science, research and sports in SR or other ministries, own entrepreneurial activities;
- State HEIs (3) – source: state budget, Ministry of defence in SR / Ministry of interior in SR / Ministry of health in SR
- Private HEIs (10) – source: own entrepreneurial activities (tuition fees), state budget (Ministry of education)

Act No. 131/2002 on HEIs of the Law Code

Section 88 para. 1 „Public HEIs and state HEIs are financed **to a decisive extent** from the state budget...”

Section 88 para. 2 „A subsidy **can also be provided** from the state budget to a private HEI...”

Reality

NKÚ SR Final report „Funding and management of public HEIs“, 2018:

- „The management of public HEIs should be evaluated positively, because within the entire audited period, almost all inspected schools ended individual years with a positive management result.“
- In the audited period, HEIs' income came from different sources: **50,72 per cent from state budget** (contracts on the provision of subsidies concluded in accordance with the Act on HEIs through Ministry of education), the rest came from **other sources**:
 - The largest part of other funding in the amount **of 30.92 per cent was made up of unspecified resources** (own resources in the main activity – tuition fees and fees connected with studies, fees connected with accommodation, meals, registration fees, ISIC cards, admission procedures, but also from donations and grants, from entrepreneurial activity, to a lesser extent from subsidies for foreign students, from APVV projects and other sources),
 - **16.12 per cent from EU funds** (a significant amount provided for the establishment of science parks and research centers STUBA, UNIBA, UPJŠ and UNIZA) and
 - **2.24 per cent** were from **foreign grants**.
 - At UNIBA and UNIZA in the observed period other sources prevailed over the resources provided as part of the subsidy.

Subsidy for the implementation of accredited study programs:

- for wages and insurance
- for goods and services
- for specifics
- capital expenditures

Subsidy for research, development or artistic activity:

- for-purpose form,
- institutional form:
 - VEGA, KEGA,
 - operation and development of infrastructure for R&D,
- excellent teams

PUBLIC HEIs

Subsidy for the HEI development

077 11
Providing HE and ensuring the operation of HEIs

077 13
HE development

Subsidy in program 077
"methodology"

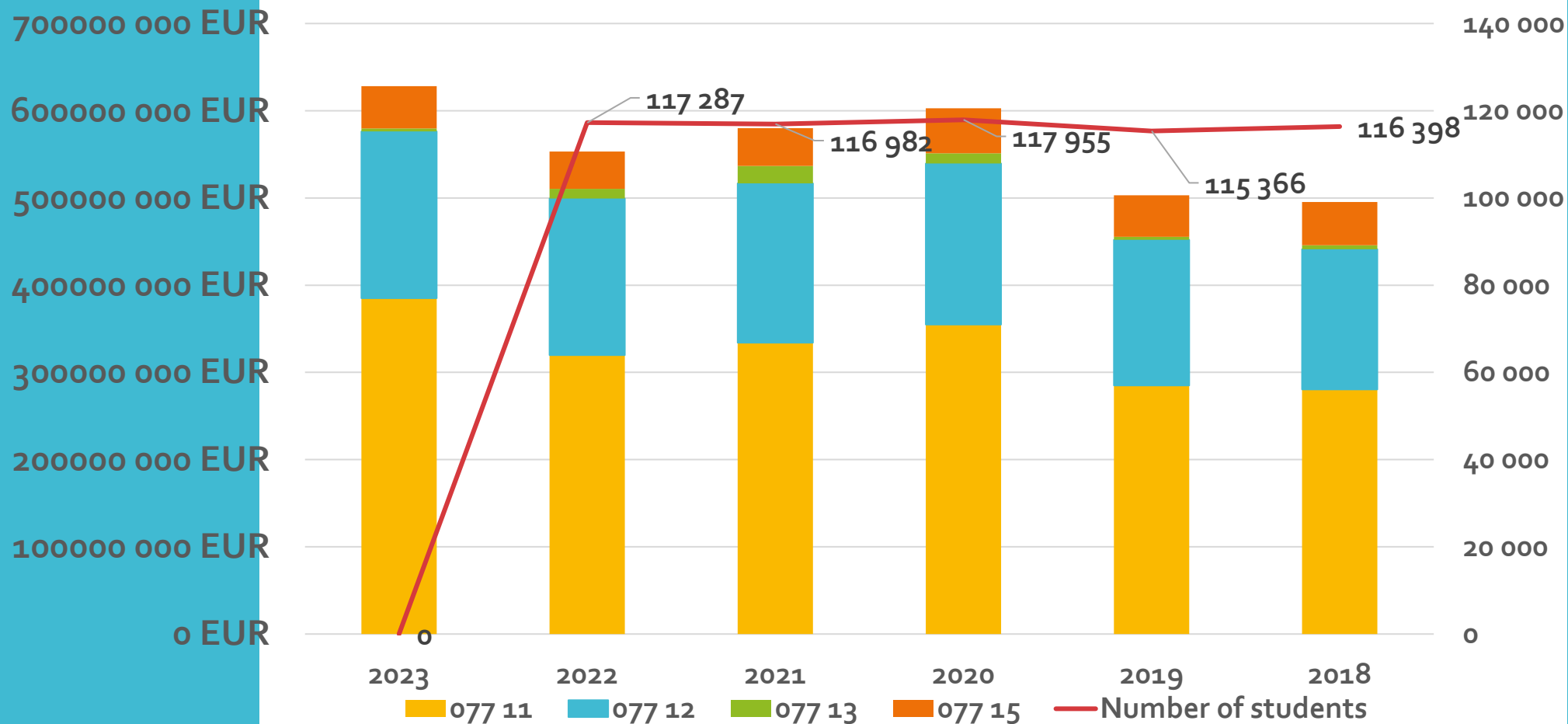
077 12
HE science and research

077 15
Social support for university students

Subsidy for social support of students:

- social scholarships,
- incentive scholarships,
- allowances for meals and accommodation,
- subsidy for sports and cultural activities

Comparison of public HEIs funding in Program 077 HE education, science, social support of students



Source: Methodology for breakdown of subsidies from the state budget to public HEIs for 2023, 2022, 2021, Annual reports on the state of HE for the years 2020, 2019 a 2018 and CVTI SR.

Comparison of methodologies – 2023 a 2022

Some changes

- Reduction of the subsidy for 2023 compared to 2022 in the area of personal expenses according to measures from the Value for money revision by € 27,179,423. At the same time, an increase through transfer of € 27 M for performance remuneration.
- Increase of the subsidy (program 077) for the valorisation of the employees' salaries by € 75,312,192.
- Increase of the subsidy for goods and services (077 11) by 8.2 per cent compared to 2022.
- Increase of the subsidy for research and development (077 12 01) by € 11,759,408 due to valorisation.
- Reduction of the subsidy for support of excellent teams (077 12 01) from € 1,116,000 to € 350,000. The share of excellent research workplaces (077 12 01) in the amount of 11.8 per cent of the total volume dedicated to science and research is determined for non-purpose form based on performance in science.
- Reduction of the subsidy for HE development (077 13) to € 3.6 M.
- Increase of allowances for accommodated students by 43 per cent compared to 2022.

3. Trends in HEIs funding in SR



Amendment of HE legislation (2022)

A. Changes in HEIs funding:

- i. Introduction of **performance contracts** between Ministry of education and particular universities.
- ii. **Modification of the methodology** for the breakdown of subsidies from the state budget to public HEIs - according to performance in science, research, art and other creative activities:
 - a) quantitative indicators (bibliometrics) and
 - b) **qualitative indicators (according to periodic evaluation of scientific performance).**

B. Changes of competences of public HEIs' bodies to approve the methodology for the allocation of subsidies, the budget, the annual report on the economy, and in the management of property.

Context: SR Recovery and Resilience Plan

<https://www.planobnovy.sk/>

SR Recovery and Resilience Plan

1.6 Reforms and investments

Reform 1: „*Change in the HEIs funding including the introduction of performance contracts*“

*The methodology of the breakdown of subsidies will be adjusted so that it takes into account to a greater extent quality and inclusive education, excellent research, graduates employability, cooperation with the private sector, internationalization of teachers and students, and will be aligned with the prepared methodology for assessing scientific performance. **A new instrument will be introduced - performance contracts**, which will support the profiling and diversification of universities based on their specific strengths and development potential.*

Performance contracts are intended to support the profiling and diversification of universities based on their strengths, development potential, to reduce the number of study programs, as well as concentrate resources (mergers of workplaces/faculties/universities) to fulfil tasks using the U-Multirank approach to the evaluation of universities.

SR Recovery and Resilience Plan

Reform 2: „Introduction of periodic evaluation of scientific performance“

The system of periodic evaluation of scientific performance will be implemented with the participation of international evaluators, the diversification of universities and the expansion of excellent research teams at individual universities in the medium and long term will be supported.

Reform 3: „A new approach to the accreditation of HE“

New standards and criteria for the accreditation of study programs will tighten the conditions for guaranteeing and providing study programs, increase their quality and introduce long-term quality monitoring processes.

Reform 4: „Reform of HEIs' management“

The competences of the HEIs individual (self-governing) bodies will be re-established legislatively so that the powers better reflect responsibility, greater integration of the internal structures of the HEIs will be enabled, and restrictions on filling the positions of docents and professors will be removed, thereby the openness of the academic environment to those interested from professional environment, as well as from abroad, will be supported.

SR Recovery and Resilience Plan

Reform 5: „Concentration of excellent educational and research capacities“

The goal is to support the merging of universities into larger units that can withstand international competition and at the same time create a competitive and diversified environment internally.

1.6.2 Investments:

Investment 1: „Investment support for the strategic development of universities“

Investments complement all reforms in the component. They are primarily linked to reforms 1 and 5, as they complement the reform of HE funding as well as the concentration of educational and research capacities in terms of investments.

Performing contracts and measures

- **Time horizon:** valid from 2023
- **Scale:** public and state HEIs
- **Intention:** motivation
- **How:** the provision of financial resources, which is conditioned by the fulfilment of defined measurable indicators.
- **Measurable indicators** (section 89 para. 3 letter d) of the Act on HEIs:
 - for the purpose of fulfilling the university's mission,
 - for a period of 3 years,
 - compiled in accordance with the methodology (which is drawn up and updated annually by the Ministry of education after the previous statement of the university representations) and
 - according to the thematic areas specified in the long-term intention of the Ministry of education in educational, research, development, artistic and other creative activities for the area of HEIs (for 5-10 years), the fulfilment of which is a precondition for providing a subsidy.

Periodic evaluation of research, development or artistic and other creative activities

Section 89 para. 5 of the Act No. 131/2002 on HEIs:

"Subsidy for research, development or artistic activity consists of an institutional form and a for-purpose form of science and research support provided on the basis of a competition according to a special regulation. When providing an institutional form of support, the research, development or artistic capacity of public universities, the results achieved in the field of science, technology or art, **the periodic evaluation of the research, development, artistic and other creative activities** of public universities according to a special regulation and the solution of research projects and artistic projects that were selected for funding within the internal grant system of the Ministry of education, are taken into account."

- **Time horizon:** á 6 years, for the 1st time in 07–12/2022 for a period 2014-2019
- **How:** public call of Ministry of education
- **Scale:** public HEIs and public research institutions

Periodic evaluation of research, development or artistic and other creative activities

Process: Peer-review evaluation of publication and other creative activity (7 scientific fields – 28 scientific branches), on the basis of criteria and methodology to assess them, that was issued by Ministry of education. The activity of research teams (≥ 5 members) proposed by the applicant is assessed. Selection of 25 (5x5) outputs → principles of representativeness and uniformity. Based on the content of the outputs, the project panels assess their originality, significance and rigor.

The aim:

- identification of internationally comparable activities of research teams,
- for a breakdown of subsidies from the Ministry of education for public HEIs or a breakdown of financial resources provided for the founders of public research institutions,
- assessment of eligibility to apply to for-purpose support for science and research,
- quality assessment of the level of research, development or artistic and other creative activity in the standards for study programs, standards for the habilitation procedure and for the procedure for appointing professors.

Results: <https://ver.cvtisr.sk/vysledky/>

Statement of the project evaluation panel for each research area for which the applicant has proposed a research team, valid for 6 years (quality profile).

- Quality profile categories → percentage of publications according to quality levels: world, significant international, international, national and unclassifiable.
- The quality profiles of individual teams are published, according to institution and scientific field.
- There are no data published about the quality categories of individual outputs of scientific and creative activity. The designation "research university" will not be awarded

Thank you for your attention

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