## **Standpoint**

## of the CRC on the Proposed Draft of the Framework Agreement on the Higher Education Institution Long-term State Funding

## Olomouc, 6 June 2013

- 1. CRC reiterates its support for the principle of contractual funding of public higher education institutions. However, the specific contractual funding model must bring greater and longer-term security for a higher education institution, not the opposite. Such model must be based on:
  - a) stabilization and the resulting greater chance of strategic planning, including direct connection to the strategic plan of a higher education institution,
  - b) simplification and transparency of financial flows and funds management, including institutional research funding,
  - c) support for the quality of higher education institution activities as well as of the individual profiles of study programmes.
- 2. The presented model anticipates that decisive indicators will include, among other things, the number of students in each field of education, in each study programme type and in each study programme profile, which means more than 250 indicators against which the condition of five per cent tolerance will be applied. Compared to the current state based on 5 indicators, the complexity of the process would increase to such an extent that the proposed model could not be practically applicable from the perspective of higher education institutions, not to mention the massive extension of state interference in activities of higher education institutions that the model would bring.
- 3. The allocation of 1% of the budget for higher education institutions without the use of objective indicators (the C indicator) proposed by the Government of the Czech Republic is problematic and reduces the transparency of the whole system. Moreover, the procedure for calculating the amount for a given higher education institution within the strategically supported area is not clear.
- 4. The proposed commitment of the state to allocate always at least 90% of the medium-term outlook to higher education institutions in the coming years does not bring the expected stabilization. With such a low commitment, higher education institutions cannot in a given year undertake full performance in educational activities in the coming years.
- 5. Contractual expanding of higher education institution obligations in the funds management beyond the Higher Education Institutions Act and other legislation is not acceptable.
- 6. For the above-mentioned reasons, CRC calls for a substantial reworking of the proposed draft of the Framework Agreement to meet the principles stated in point 1.

Olomouc, 6 June 2013

On behalf of the Czech Rectors Conference

Prof. Dr. Václav Hampl President