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Review of the Higher Education Coordination Board (HECB) of Bosnia and Herzegovina

FINAL REPORT

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**Report prepared under the joint project of the European Commission and
the Council of Europe “Modernising the Management and Governance
Capacities of Universities in Bosnia and Herzegovina”**

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Executive Summary

The Higher Education Coordination Board (HECB) has had a major impact on the development of higher education in Bosnia and Herzegovina during the last four years. The generation of harmony and goodwill that now exists between the seven rectors, and their universities, cannot be overestimated. All the universities are now committed to the Bologna process, and all are cooperating with international agencies, particularly on two projects: institutional development plans of universities (World Bank), and institutional evaluation (with the European University Association, EUA). However, HECB has serious weaknesses, some of which have been recognised in its self-evaluation report. There has been a lack of strategic and financial planning. The monthly rotation of the chair, although essential during the early years, combined with the fact that the Secretary General has been burdened with low level accounting tasks, has resulted in a lack of leadership so that HECB has been reactive rather than proactive. The anticipated funding from local sources has not always been made available on time. HECB has been weak in communicating with most of its stakeholders.

The time has come for a change. It is recommended that HECB is transformed into a Rectors' Conference for BiH. In common with all European rectors' conferences, the membership should consist of the rectors only. This arrangement does not preclude invitations for Ministers, or their representatives, and others being invited to attend all or parts of meetings. The Rectors' Conference should be established as a legal entity and be able to make contracts for specific tasks with the State and Entity Governments, international agencies and others (*e.g.* implementing the Bologna Process). The general funds for the Rectors' Conference BiH should come from a subscription from each university.

Other recommendations concern arrangements for chairing the Rectors' Conference; the need for strategic planning and budgetary control; communicating with stakeholders (particularly the academic community and students) possibly by means of a regular bulletin; revising the job description of the Secretary General; and collecting key statistics on higher education in BiH.

1. Background and Process

1.1 The project “Modernising Management and Governance Capacities of BiH Universities” was established by the Delegation of the European Commission to BiH (EC) and the Council of Europe (CoE) in order to support reforms of higher education in BiH. One part of this project is a review of the Higher Education Coordination Board (HECB). The terms of reference for the review are at Annex 1.

1.2 The review was conducted by a team consisting of: Professor M J Frazer (formerly pro-vice-chancellor, *i.e.* pro-rector, of the University of East Anglia, and Chief Executive of the Higher Education Quality Council, UK), and Dr. N Ischi (Secretary General of the Swiss University Conference).

1.3 The team made two visits to BiH: 24 -27 March, and 19 – 22 May. A list of the individuals and organisations which the team met is at Annex 2. Also included is a list of the major documents consulted by the team.

2. The role and mandate of HECB

2.1 HECB was founded in 1999. It is a legal entity established by a joint decision of the Governments of Federation BiH and Republika Srpska. The membership consists of the Rectors (or their appointees) of the seven universities in BiH and one representative from each of the Ministries of Education of the two Entities. Meetings are also attended by representatives of international agencies and the State Ministry of Civil Affairs.

2.2 The objectives of HECB are to encourage and enhance the development of higher education in BiH, and to ensure that standards and practices are comparable to those in the rest of Europe. HECB is an expert advisory body for authorities governing higher education in BiH. In particular, it has provided advice on the distribution of World Bank funds between the universities.

2.3 The operational costs of HECB are financed through the budgets of the two Entities in the ratio: 66.6 % from the Federation of BiH, and 33.3 % from the Republika Srpska. During the first four years, the costs were financed partly from the World Bank Education Development Project and technical assistance was financed by the European Commission. Financial support from these international agencies will have ceased by 31 December 2004.

2.4 HECB has established three sub-committees, which cover the following areas:

- Bologna Process (see paragraph 6.9);
- Grants (The team did not meet this Sub-Committee because it is solely with the allocation of World Bank funds to the seven universities for institutional development planning.);
- Legal Framework, which is no longer operational.

2.5 Meetings are held each month. Meetings are hosted by the universities in rotation. The Rector of the host university is the chairperson of HECB for the month. HECB employs a Secretary General.

2.6 The team studied a sample of the agendas and minutes of HECB meetings. From these and from the HECB self-evaluation report, it can be seen that the main activities of HECB have been:

- exchange of information on university development and reform;

- preparation of projects of the World Bank, particularly the institutional development plans (paragraph 3.3);
- discussion of the draft of the State Framework Law on Higher Education;
- discussion of the strategic plans to implement the Bologna Process and the Lisbon Recognition Convention;
- making representations to Government about higher education funding;
- discussion of issues such as, university management, scientific and scholarly research, the promotion of the integrated university, the duration of studies, mobility of students and teachers, and distance learning;
- discussion related to curricular accreditation and quality assurance in higher education, particularly preparation for the EUA institutional evaluation programme (paragraph 3.3).

The team gained the impression from studying the sample of agendas and minutes that the initiative for raising issues for discussion usually came from the international agencies and not from the members themselves.

2.7 HECB organized study visits for HECB members to the Universities of Graz, Ljubljana, Maribor, Vienna and Zagreb.

3. Achievements of HECB

3.1 From all its meetings, the team gained a clear impression that HECB has had a major impact on higher education in Bosnia and Herzegovina. In four years it has brought a sense of harmony to the seven universities. The value of the feeling of goodwill that now exists between the rectors and their universities cannot be overestimated. It was suggested to the team that “without HECB, chaos would have reigned in higher education in BiH”.

3.2 From the regular meetings of HECB and its sub-committees, common problems and good practice are shared. It is the only body in BiH which brings together the seven universities. Education Ministers in the two Entities receive from their representatives on HECB an overview of higher education developments.

3.3 Communication and cooperation between the universities and international agencies and donors has been made easier as a result of the existence of HECB. Particularly important has been the active cooperation and support of HECB in two on-going programmes:

- institutional development plans of universities (World Bank),
- institutional evaluation (undertaken by the European University Association, EUA, as one component of the EC / CoE Project: Modernising Management and Governance Capacities of BiH Universities).

3.4 The fact that BiH has entered the Bologna Process and accepted the Lisbon Recognition Convention is due in part to the existence of HECB. These crucial pan-European developments would have occurred in BiH at sometime, but probably in a fragmented and piecemeal fashion. That the seven universities are working together will make the implementation of the Bologna Process much easier. Indeed, the self-evaluation report of HECB lists as one of its strengths the determination of all of its members, and of the academic community, to embark on the reform and modernization of higher education in line with the Bologna Process.

4. Current Weaknesses of HECB

4.1 The monthly rotation of the chair of HECB (paragraph 2.5) was essential during the first years, and undoubtedly has contributed to the harmony between the rectors (paragraph 3.1). However, a monthly change of chairperson has led to the consequence that HECB lacks strategic direction. We recommend that HECB, or a successor body, should develop a strategic plan which should be regularly reviewed and updated (**Recommendation 4**). This need is recognized by HECB in its self-evaluation report. The team heard from several sources that the chairperson for the month sees his/her role only to host and chair the meeting, not to provide leadership and strategic thinking for the future. In summary, HECB has largely been *reactive*, whereas the time has come for it to be *proactive* for the future development of higher education in Bosnia Herzegovina. We recommend that HECB, or a successor body, should review the arrangement of a monthly rotating chairperson, and the frequency of meetings (**Recommendation 6**). Some suggestions for new arrangements are in paragraphs 6.5 and 6.6.

4.2 HECB appears not to have a financial plan. It has simply reacted to the resources made available to it. This approach should now change. HECB, or a successor body, should determine its priorities, deriving them from the strategic plan, and estimate the finances needed for the next financial year. A financial plan should indicate priorities, allow for contingencies and include an analysis of the risks. Sources for funding HECB are discussed in paragraphs 7.3 and 7.4. We recommend that HECB should become proactive in determining its requirements for resources. Each year, HECB, or a successor body, should approve its budget, for the coming year (**Recommendation 5**). The annual budget should indicate anticipated expenditure under a number of headings and anticipated income. Performance (income and expenditure) should be reviewed regularly. There should also be an annual financial report. The team recognizes that income has been received on an irregular basis and that the Entities (particularly the Federation BiH) have not always been able to meet their financial commitments to HECB on time. This is clearly unsatisfactory and has been the cause of difficulty, but this is not an excuse for lack of proper financial planning.

It appears that HECB has not always taken up financial opportunities open to it. For example, an offer from the World Bank of US\$ 25 000 to support HECB activities was not pursued. This is a result of HECB's inability to make decisions quickly, probably due to the short period of office of each chairperson.

4.3 In some countries, strategic leadership of the rectors' conference is provided by a strong Secretary General with executive management responsibilities. The team is clear that such a role for the Secretary General of HECB in the early years would have been counterproductive. Instead her role has been to provide administrative support for the meetings. The team asked to see the job description of the Secretary General. This was provided, but it is undated and appears to be not well related to the tasks which the Secretary General is currently undertaking. We recommend that a job description for a Secretary General is revised by HECB in the light of changes recommended later in this report. A statement of the skills required by the post holder should be prepared; and if necessary training should be provided so that the Secretary General can acquire these skills (**Recommendation 7**). There is further comment on the functions of the Secretary General in paragraphs 4.4, 6.6 and 7.2.

4.4 A weakness of HECB, identified in its self-evaluation report, is in the area of public relations. The team confirms this weakness. Many of those interviewed by the team were largely unaware of the role and achievements of HECB, and had only vague ideas about the commitment of BiH to the Bologna Process. Although the World Bank has allocated funds to establish a web site, little has been spent, and the site is not accessible at the present time. The team cautions that a web site is not a solution to problems of information flow. Some suggestions for improving information flow both "top-down" and "bottom-up" are:

- rectors should routinely report to their senates and to deans' meetings about decisions made at meetings of HECB, and items to be discussed at future meetings;
- deans should be expected to discuss HECB matters at their own senate and staff meetings;
- the Secretary General should be charged with preparing a regular (possibly quarterly) "HECB Bulletin". This would record the matters discussed at HECB, or its successor body, decisions made, updates on the implementation of the Bologna Process, other activities and future plans. The team appreciates that the current rules and procedures of HECB would require that the contents of the Bulletin were checked and approved by all members; and also that the Secretary General is hard pressed at present. (Suggestions about reducing the load on the Secretary General are at paragraph 7.2). The HECB Bulletin would be widely circulated to all stakeholders in BiH. We recommend that consideration should be given to establishing an "HECB Bulletin", or "BiH Rectors' Conference Bulletin". (**Recommendation 8**).

5. Relationship and accountability to stakeholders

5.1 The team was asked specifically to comment on the relationship and accountability of HECB to its stakeholders. Stakeholders are identified by the team as: State Government (Ministries of Civil Affairs and Foreign Affairs), Entity Governments and their Ministers, Cantonal Ministers, international agencies particularly those which have provided financial support, the academic community in the universities, students, employers of graduates (the labour market) and the general public.

5.2 Representatives of the international agencies routinely attend meetings of HECB, and the relationship appears to be satisfactory. The representatives have the opportunity to ask questions and comment on the activities of HECB.

5.3 Entity Ministers appoint representatives as full members of HECB, and consequently the relationship and accountability are also entirely satisfactory.

5.4 Financial accountability to the international agencies and to the Entity Governments is the responsibility of the Project Coordination Units (PCUs). Expenditure is strongly monitored and the next tranche of money is not released until the PCU is satisfied.

5.5 The relationship and accountability to the academic community is less certain as indicated in paragraph 4.4. The team met heads of departments in the universities who had never heard of HECB.

5.6 The team asked to meet student representatives from all seven universities. At the meeting, there were students from five of the universities. Their knowledge of HECB was varied: some appeared to be politically motivated; some had a close relationship with their rectors; while others had little knowledge of HECB or higher education developments in BiH. The HECB self-evaluation report recognizes that more should be done to include students in its activities. The team confirms that the relationship and accountability of HECB to the student body as a whole is as weak as it is to the academic community. There had been suggestions that HECB should meet students' representatives on a regular basis. Apparently this has not happened. The team recommends that HECB, or a successor body, should meet students' representatives on a regular basis at least once every six months (**Recommendation 9**).

5.7 The team was unable to investigate the relationship and accountability of HECB to employers of graduates and the general public but suspects that it is also likely to be weak, or even non-existent. The self-evaluation report recognizes the need for better communication with the labour market and the general public.

6. The Future of HECB

6.1 The team is absolutely certain that BiH now needs a Rectors' Conference. The experience and achievements of HECB will make it easy to establish a Rectors' Conference for BiH. The Rectors would be the only members, although other stakeholders could be invited to attend for specific purposes (**Recommendation 1**).

In the remainder of this report, "HECB" is used for the existing body and "BiH Rectors' Conference" is used for the new body proposed in recommendation 1.

6.2 On 7 May 2004 the Parliamentary Assembly of Bosnia and Herzegovina considered the proposed Framework Law on Higher Education. This was blocked by the Bosnian Croat group who invoked national vital interest and is now subject to determination in the Constitutional Court. The team understands that the majority of rectors are in agreement with main thrust of the new law. Whether the Framework Law on Higher Education was passed or not, the team intended to recommend that HECB should be transformed into a Rectors' Conference for BiH.

6.3 If the law had been passed, HECB would have lost any responsibility it had for advising on funding, quality and standards, and implementation of the Lisbon Recognition Convention. The functions of HECB were defined in the draft of the new law in Article 37, which is reproduced in the terms of reference for this review (Annex 1). In effect, HECB would have become the Rectors' Conference for BiH. The team understands that there is some possibility that the Framework Law will be reintroduced, and therefore sets out three models for the legal status of the future Rectors' Conference.

6.4 The team has reviewed the legal status and funding arrangements for twenty four rectors' conferences in other European countries using a paper prepared by the Austrian Rectors' Conference for the European University Association. (A copy of the Survey of European Rectors' Conferences has been sent to the HECB Secretariat).

The arrangements are varied. However, all the rectors' conferences are legal entities. In some countries they are considered as governmental organisations established by a higher education law; whereas in the majority of countries they are non-governmental organisations. Both legal status systems have advantages and disadvantages.

In the light of this review the three possible models for the BiH Rectors' Conference are described.

(a) The first model is for the rectors on their own initiative to establish Rectors' Conference as a legal entity, but non-governmental, body.

This would have the following advantages:

- ensuring that the competences (terms of reference) were defined by the rectors themselves, and not imposed by others;
- rectors would take ownership for the agenda of activities;
- there would be a clean break from HECB, and there would be no need to use the title HECB (the "HECB Bulletin", paragraph 4.4 could be called the "BiH Rectors' Conference Bulletin", which might give its readers a greater feeling of ownership);
- the Rectors' Conference would be a legal entity by applying for registration as a company, but would be independent, from State and Entity bodies and so would have greater freedom to act independently. It is necessary for the BiH Rectors' Conference to be a legal entity so that it can be an employer and enter into contracts with government and non-governmental bodies.

The disadvantages of the non-governmental body model are:

- some might consider that the BiH Rectors' Committee established in this way would lack legitimacy;
- the break with HECB might be too sudden and disruptive.

(b) The second model (governmental body) would have been to use Article 37 in the Framework Law as a legal basis for establishing a Rectors' Conference.

(c) As this is not possible, at least in the short term, the Rectors' Conference could be established by making appropriate amendments in the extant Articles of Establishment of HECB. If this model is to be pursued, HECB should be proactive in negotiating these amendments with State and Entity Ministries.

The advantages of models (b) and (c) are:

- the written agreement would prescribe the financing of HECB;
- the BiH Rectors' Conference would have a legal status without having to apply for registration as a company;
- the assets (advantageous) and liabilities (disadvantageous) are transferred from the former HECB, but as both of these are likely to be very small, this is not a decisive matter.

The disadvantages of the governmental body model are:

- loss of academic freedom;
- the range of activities might be limited;
- possible dependence on governmental funding (*i.e.* funding from the RS Entity and the Cantons in the Federation BiH).

The team recommends that HECB urgently considers which of the three models it wishes to adopt (**Recommendation 2**). Any of the three models will take time to implement, and the earliest that the BiH Rectors' Conference could start would be 1 January 2005. Some members of HECB cautioned about taking any actions to change the status of HECB until the end of the "transition period" referred to in the Draft Framework Law.

6.5 When fully established, whichever model is chosen, there will be new objectives, tasks and *modus operandi* for BiH Rectors' Conference. It would be sensible, as soon as possible, to adjust the working methods, and at the same time overcome some of the limitations outlined in section 4. Consideration should be given to new arrangements for chairing BiH Rectors' Conference. The team considers that it has been advantageous to meet at each university in rotation and suggests that this practice continues. However, there should be a decoupling between hosting the meeting and chairing BiH Rectors' Conference. This could easily be achieved by ensuring that the frequency of meetings differs from the frequency of the period of office of the chair. For example, if meetings continue to be held at monthly intervals, then the chairperson could serve for three to six months. There is a suggestion about the frequency of meetings at paragraph 7.2.

6.6 Instead of an individual acting as chairperson for a period of a few months, alternative methods for strengthening the strategic leadership of BiH Rectors' Conference should be considered. The team has two suggestions, which it hopes that HECB, or a successor body, will consider.

1. Replace an individual chairperson by a presidium of three, consisting of: a Vice-President (President elect), the current President, and a Vice-President (immediate past President). The fact

that the Presidium has three people is totally independent of the earlier, and originally very important, principle that the three peoples should always be represented in any group. Tasks for the presidium would be not only the preparation of the agenda, and approval of the papers, for each meeting but also the development and oversight of strategic direction. The period of office for the presidium will need to be decided. If, for example, it was for three months there would be continuity over a nine month period, and every rector would serve as a member of the presidium within fifteen months. In Annex 4 is an illustration of how such a system might work. The presidium could meet more often than HECB, or a successor body. It would always report fully to the main body.

2. If HECB decides to keep to the present arrangement of an individual acting as chairperson with a short period of rotation, then the role of the General Secretary should be strengthened and redefined as an executive manager (see paragraph 4.3 and recommendation 7).

The team recommends that in the process of establishing the BiH Rectors' Conference, HECB should decide on new arrangements for the chairing of BiH Rectors' Conference and the frequency of meetings. **(Recommendation 6)**

6.7 The team received a copy of the Rules of Procedures of HECB (Annex 3). These appear to have worked well, and so it is suggested that the new BiH Rectors' Conference should use them as a basis for its Rules of Procedure. The team endorse Article 9 which states that decisions should be reached by consensus.

6.8 The mandate of BiH Rectors' Conference should be similar to that of HECB. In particular, BiH Rectors' Conference should:

- be proactive in establishing a common higher education space for higher education in BiH;
- be an expert body on higher education offering advice and responding to state and entity governmental institutions and also international agencies and other stakeholders of higher education;
- encourage and enhance the development of education and the maintenance of academic standards in the institutions of higher education in Bosnia and Herzegovina, and to ensure that these are comparable to standards and practices in the rest of Europe;
- encourage cooperation between the universities in BiH by
 - the creation of higher education networks and centres of excellence,
 - common infrastructures like e-net, e-libraries, sharing expensive equipment and laboratories,
 - joint research projects,
 - organizing workshops and seminars on developments in higher education and facilitating good practice in teaching research and university management;
- interact strongly with the labour market in education and research.

Much of this work should be undertaken by sub-committees. The Rectors' Conference might consider forming sub-committees to cover areas such as strategic planning, common infrastructures, data on higher education, liaison with employers, and public relations. The Bologna Sub-Committee must stay in existence.

6.9 The team met the Bologna Sub-Committee, which has had an important role for higher education in BiH. However, it appears that the HECB might have been more active in supporting its work. Data were collected from all universities on progress in implementing the Bologna Process. The team was disappointed that no attempt had been made to summarise (*e.g.* in a one page table), and to comment on,

the results. The Sub-Committee does not receive enough feedback on its work from HECB. Without a summary and some critical review, no one (including the team) can be certain on the state of Bologna Process implementation in BiH. The over stretched secretariat possibly could not undertake the work required. The team therefore suggests that more resources for the Sub-Committee are needed. These will not come unless either the Rectors' Conference, or the Sub-Committee, is proactive in preparing costed proposals for specific activities, related to the Bologna Process.

As the State Ministry of Civil Affairs and the two Ministers of Education of the Entities were present at the Conference of Ministers in Berlin, 2003, when BiH was accepted into the Bologna Process, they should now give a clear mandate to the HECB (BiH Rectors' Conference) to undertake its implementation. The HECB (BiH Rectors' Conference) should urgently prepare an action programme, with costs, related to the Bologna Process milestones, and submit this to the Ministries as a basis for a contract (see paragraph 7.5). This would be an example of the Rectors acting proactively and planning strategically (**Recommendations 4**).

6.10 The team was concerned that there was no readily available and reliable source of statistics on higher education in BiH. It will be difficult to make progress with reform without such a data source. In some countries, it is the government which is responsible for collecting and disseminating statistics on higher education, while in others, this task is performed by the rectors' conference. In the current circumstances in BiH, it would be appropriate for the BiH Rectors' Conference to undertake this work. An international agency might well be prepared to fund this work.

7. Financial Aspects

7.1 Without the funding from the World Bank and the Technical Assistance from the EC, it is likely that HECB would never have been established. That financial support has been invaluable, but from 1 January 2005 a new situation arises. HECB, or a successor body, must start immediately to make a financial plan for the year 2005 (Recommendation 2).

7.2 Part of this plan should be to find ways of reducing expenditure from the current level. The team has two suggestions.

1. HECB, or a successor body, should consider whether it is necessary to meet at monthly intervals. There would be savings if the frequency of meetings was reduced by 50%, with probably little loss in the effectiveness of the organisation. This would be possible with greater use of information technology (*e.g.* internet, telephone and video conferencing).
2. Apparently much of the time and effort of the Secretary General is spent on making monthly returns of expenditure in order to requisition the following month's income. The Secretary General states that she spends 80% of her time dealing with routine financial matters. In addition, HECB employs a part-time accountant (extra expenditure) to help in making financial returns. This is clearly unacceptable. It is therefore recommended that urgently HECB takes responsibility for the time the secretariat spends on financial and other routine matters. The team fully agrees that accounting for expenditure to the PCUs must be absolutely accurate and complete. In light of the cash flow problem from Federation BiH (paragraph 4.2), the team suggests that the current Chair of HECB and the representative of the Federation BiH Ministry of Education work with the secretariat and the PCUs to devise a less time intensive procedure for dealing with finances of HECB (**Recommendation 10**).

7.3 If, in due course, HECB becomes the BiH Rectors' Conference, then it should be funded in the same way as rectors' conferences in other countries in Europe. The review of the legal status and funding arrangements for rectors' conferences in other European countries (paragraph 6.4) revealed that there are two main systems of funding.

The first is that member universities pay a subscription to the rector's conference. The level of subscription is often related to the size (*e.g.* student numbers) of the university. The second is that the rectors' conference receives a subsidy from the state. In several countries, funding comes from both sources. The majority of European rectors' conferences are funded totally or partially by subscription.

The team concludes that there are two possibilities for BiH:

(a) BiH Rectors' Conference is funded by a subscription from each university in proportion to the size of the university. The total of all the subscriptions would be based on its strategic and financial plans. A slight variation of this model (paragraph 7.4, Model 3) would be for there to be a basic amount for each university and a second variable amount in proportion to the size. In paragraph 7.4, and Annex 4, possible subscription levels, and their impact on each University's budget, are described. The team was informed that the current arrangements are that the travel costs of rectors for attending meetings of HECB are covered directly by each university. The team suggests that this should continue and in future the remuneration and *per diem* for each rector should also be paid directly from the university, and would not need to flow through the BiH Rectors' Conference.

(b) BiH Rectors' Conference is funded *directly* from the Entities in the ratio Federation BiH 66.6%: Republika Srpska 33.3% as at present, with the total being based on the strategic and financial plans submitted and approved or modified by the Entities. The remuneration and *per diem* for each rector could be paid directly from the university, and would not need to flow through the BiH Rectors' Conference.

The team recommends that discussions should start immediately within HECB, and between the Governments of the two Entities, to determine how BiH Rectors' Conference should be funded in the future (**Recommendation 3**).

7.4 Annex 4 is an extract taken from a Microsoft Excel Spreadsheet. A copy of this Spreadsheet has been lodged with the Council of Europe Office in Sarajevo and could be made available to HECB. The effects of different levels of subscription can be tested. The input data for this Spreadsheet was provided by the Council of Europe and based on data from the universities. The models tested were based on a core funding requirement for BiH Rectors' Conference of BAM 75 000 per annum, assuming that travel costs, remuneration and *per diem* for each rector are paid by the universities directly. With this level of core funding, the BiH Rectors' Conference would be in a strong position to seek additional funding as described in paragraph 7.5. The Spreadsheet shows test results for three models:

Model 1 is based on total income from all sources and total number of students. The subscription required would be between 0.05 and 0.07 % of each university's total income.

Model 2 is based on weighted student numbers (part-time students counted as 0.1 of full time students) and income from governmental sources only. The subscription required would be between 0.07 and 0.18 % of each university's total income from governmental sources.

Model 3 is based on fixed and variable components to the subscription from each university, using weighted student numbers and income from governmental sources only as in model 2. The total of the fixed amounts must be a multiple of seven, and so was set at BAM 28 000 (*i.e.* BAM 4000 per

university).The subscription required would be between 0.08 and 0.28 % of each university's income from governmental sources.

7.5 BiH Rectors' Conference should be alert to other potential sources of funding. It might be possible to secure contracts with State (or Entities) for specific tasks *e.g.* implementing Bologna, ECTS, collecting and disseminating higher education statistics etc; or with international agencies such as EC for specific projects *e.g.* preparing issues of the BiH Rectors' Conference Bulletin (recommendation 8, and paragraph 4.4).

Recommendations

- 1. HECB should be transformed into a BiH Rectors' Conference consisting only of the rectors.** (Paragraph 6.1)
- 2. HECB should urgently consider which model for establishing BiH Rectors' Conference it will choose.** (Paragraph 6.4)
- 3. Discussions should start immediately within HECB, and then with government authorities, to determine how BiH Rectors' Conference should be funded.** One model is direct funding from governmental sources, and the other is for funding by subscription from the universities in proportion to their size. (Paragraphs 7.3, 7.4 and Annex 5)
- 4. BiH Rectors' Conference should develop a strategic plan which should be regularly reviewed and updated. A particular example is the urgent need for there to be a mandate from government with a contract for the implementation of the Bologna Process.** (Paragraphs 4.1 and 6.9)
- 5. BiH Rectors' Conference should prepare an annual budget (predicted income and expenditure) and review performance regularly. The BiH Rectors' Conference must become proactive in determining its requirements for resources. It should also produce an annual financial report.** (Paragraph 4.2)
- 6. HECB should decide on new arrangements for the chairing of BiH Rectors' Conference and the frequency of its meetings.** (Paragraphs 4.1, 6.5, 6.6 and Annex 4)
- 7. The job description for a Secretary General should be revised in the light of the changed circumstances and decisions made by HECB resulting from recommendations in this report.** If necessary, training should be provided so that the Secretary General can acquire the necessary skills. (Paragraph 4.3)
- 8. Consideration should be given to establishing modes of communication between HECB, or a successor body, and its stakeholders, such as an "HECB Bulletin or "BiH Rectors' Conference Bulletin", and an active web site.** (Paragraph 4.4)
- 9. BiH Rectors' Conference should meet students' representatives on a regular basis.** (Paragraph 5.6)
- 10. HECB should urgently take responsibility for the time the secretariat spends on financial and other routine matters.** The current Chair of HECB should work with the secretariat and with the PCUs to devise a less time intensive procedure for dealing with finances of HECB. (Paragraph 7.2)

Acknowledgement

We wish to thank all those we met, especially the members of HECB and the Secretary General, for giving their time, for so freely answering our questions and for providing much valuable information. Particularly we thank Mrs. Sarah Keating and all her staff in the Education Department of the Council of Europe in BiH, and Jadranka Ruvic, Task Manager of the Delegation of the European Commission to BiH for their constructive advice. We are especially grateful to Nedim Vrabac, for patiently interpreting and providing local information; and most of all, to Mrs. Dasha Kunzmann, Project Coordinator, University Management and Governance Project, Council of Europe for her untiring, enthusiastic and ever cheerful support.

M. J. FRAZER
N. ISCHI

31 May 2004

Annex 1

Terms of Reference for Higher Education Coordination Board Review

Background:

The Delegation of the European Commission to BiH (EC) and the Council of Europe (CoE) offered to support BiH in its Higher Education reform efforts. The project “Modernising Management and Governance Capabilities of BiH universities” was designed to provide professional expertise to universities’ key actors during the process of management and governance reform. The project includes a review of the Higher Education Coordination Board (HECB) of Bosnia and Herzegovina.

In an effort to coordinate the fragmented Higher Education sector in BiH, the CoE in conjunction with UNESCO, founded the Higher Education and Co-Ordination Board (HECB) in 1999 and chaired the HECB during its first year. As one of the co-founders, the CoE devised its initial development plans before responsibility for the operations of the Board was transferred to a World Bank project. The World Bank has co-financed the Board since then. This assistance will expire at the end of 2004. The World Bank provided 60% of operational costs until June 2003 and will provide 30% until end of 2004. The Entity Ministries of Education, by inter-entity agreement, were given financial and operational responsibility of the Board.

Membership of the Board consists of all seven rectors and two members appointed by each Entity Ministry of Education. A Secretary General was appointed in February 2002 and an office established in Lukavica, integrated in the University of Srpsko Sarajevo.

Following this initial development, an external review will examine how the HECB is performing its role of strategically developing the higher education system in BiH. The evaluation will examine the performance of the board and the secretariat. The review should provide HECB members and other stakeholders in BiH recommendations for the future development of the HECB towards its goal / mission of becoming an effective advisory body in Higher Education. Legal basis for its operation will be guaranteed by Article 37 of the draft State Level Higher Education Framework Law. Article 37 states:

3. The Higher Education Co-ordination Board

Article 37

On the basis of the written agreement between the competent State Ministry and the competent Entity bodies, the Higher Education Co-ordination Board may be established as an advisory body for higher education.

The composition, financing, conditions of work and other issues shall be prescribed by the agreement referred to in the preceding paragraph. The Higher Education Co-ordination Board shall take over the assets and liabilities of the Board of the same name established by agreement prior to the coming into force of this Law.

Members appointed to the Board shall receive no remuneration in respect of their appointment, in accordance with the agreement referred to in paragraph 1.

The Law was sent to the Council of Ministers on Dec 31th 2003.

Expected results

The outcomes of the review should provide clear policy direction for the HECB. The review should, therefore, help to clarify the role of the Board, its three sub-committees on 1) Bologna Process, 2) legal framework and 3) grants, and its secretariat including possible changes in its mandate or working methods, with a view of strengthening the HECB's role in providing strategic development of higher education in BiH. The relationship and accountability to stakeholders will be a key focus.

The report shall include the following components:

1. Past and present mandate and role of HECB
2. Impact to date.
 - a. on strategic level
 - b. on political level
3. Financing:
 - a. How is the HECB financed
 - b. Use of funds to date
 - c. Fundraising ideas
4. Relationship and accountability to key stakeholders: How do university staff and students relate and benefit from the HECB? How do the ministries relate and benefit?
5. Recommendations for future role of HECB in Higher Education in BiH
6. Recommendations for future position of HECB in Higher Education in BiH
7. Recommendations for working methods
8. Recommendations for future funding of the HECB

The following strategic and political aspects need to be addressed in detail:

How can HECB in the future:

- act as a representative of collective university autonomy in BiH, at both national (state) and international levels;
- formulate and represent joint higher education policies;
- provide expert opinions, recommendations and guidelines for development of higher education in BiH to education authorities;
- promote BiH HE system and the development of co-operation in country and abroad, including full participation in and implementation of the Bologna process;
- serve as a driving force for the regeneration of higher education in BiH, developing and supporting innovative reforms and developing sustainable partnerships for these;
- serve as a forum for exchanging information, experience, suggestions, ideas.

Working method:

A team of 2 senior CoE higher education experts is being formed. The team will be supported by the Education Directorate (DGIV) and the CoE Sarajevo Office.

The review process is inclusive, in the sense that it includes stakeholders in the change management process from the outset. Members of the HECB will have the opportunity to define key issues in a self assessment report. Through the self-evaluation report, experts from the review team will get a description and analysis of the HECB. A good self-evaluation illuminates strengths and weaknesses, opportunities and threats ("SWOT").

The self assessment report should be submitted to the CoE office by March 12, 2004.

The review will be process oriented and consists of two consecutive visits of each 2 ½ days between end of March and May 04. The ongoing institutional evaluation by the EUA of all BiH universities will be taken into consideration.

A final report will be submitted by the experts to the CoE by end of May 2004 (latest Mid June 2004). The review will then be translated into local language and presented to the HECB and other stakeholders.

Coordination and logistical support of the review will be provided by the Council of Europe Office in Sarajevo

Annex 2

Individuals, Organisations and Documents consulted

(a) The team met all the Rectors

Professor dr. Izudin Kapetanović	University Tuzla
Professor dr. Refik Šabinović *	University Bihac
Professor dr. Frano Ljubić	University Mostar (West)
Professor dr. Dragoljub Mirjanic	University Banja Luka
Professor dr. Boriša Starović	University Srpsko Sarajevo
Professor dr. Boris Tihi	University Sarajevo
dr. Elbisa Ustamujić	University “Džemal Bijedić“ Mostar

* Acting Rector

(b) The team had meetings with the following individuals

ARNAUT	Srdjan	Ministry of Civil Affairs of Bosnia and Herzegovina
BEŠIREVIĆ	Vesna	Secretary General, HECB
BUNDALO	Zlatko	Adviser to the Ministry of Education, Republika Srpska
KUKIĆ	Damir	Adviser to the Ministry of Education, Federation BiH
LESIĆ	Zorica	World Bank
KENJALOVIĆ	Milorad	Representing the Minister of Education, Republika Srpska
MARJANOVIĆ	Zdravko	PCU Republika Srpska
MIRAŠČIJA	Ammar	Higher Education Fund Controller , PCU
PAŠIĆ	Zijad	Professor, Minister of Education, Federation BiH
PRSA	Maria	Adviser for higher and Vocational Education, OSCE
RUVIĆ	Jadranka	Task Manager Delegation of the European Commission
TANOVIĆ	Lamija	Head of Department, Ministry of Foreign Affairs of Bosnia and Herzegovina

(c) The team had meetings with the following organisations

The Bologna Sub-Committee of HECB: Professors Vojo Višekruna and Fuad Čatović.

Representatives of students from the universities - ten students were present

(d) The team consulted the following documents

(i) From HECB:

Articles of Establishment
Self-evaluation Report April 2004
“Work Report, January 2004” prepared for the World Bank
HECB Rules of Procedures
Advertisement and job description for the post of Secretary General
A sample of agendas and minutes of HECB meetings and its Bologna sub-committee
Various financial statements of predicted and actual expenditure

(ii) From the Ministry of Civil Affairs

Draft Framework Law on Higher Education in Bosnia and Herzegovina

(iii) From the Entity Ministries

Federation of BiH Report on Bologna Process to the Berlin Conference, 2003
Republic of Srpska Report on Bologna Process to Greek Presidency, 2003

(iv) From International agencies

Terms of Reference of the EC-CoE Project for development of university governance and management

Annex 10 of the Report on EC-TAER experience on Component 3

Review of the Higher Education Fund – Preliminary Reports from Sir Clive Booth and Dr. Josephine Hykin to the World Bank.

(v) “European Rectors’ Conferences, Status, Composition, Role and Function of the Rectors’ Conferences of the European University Association”, report of the Austrian Rectors’ Conference, Vienna, 2003.

Annex 3

RULES OF PROCEDURES

OF THE HIGHER EDUCATION COORDINATION BOARD IN BOSNIA AND HERZEGOVINA

I GENERAL PROVISIONS

Article 1

These Rules of Procedure regulate the work and organisation of the Higher Education Coordination Board in Bosnia and Herzegovina (hereinafter: Coordination Board) and other issues of importance for its work and for realisation of its competencies.

II STATUS AND FUNCTION

Article 2

The Coordination Board is professional institution has the status of legal personality and headquarter in Republika Srpska.

The Coordination Board has a expert and advisory function in relations with authorities, domestic and international organisations working in area of Higher Education.

Article 3

The Coordination Board is a common body of representatives of Higher Education institutions in Bosnia and Herzegovina, established by the Decision on establishment of the Higher Education Coordination Board in Bosnia and Herzegovina.

The Coordination Board is registered in Republic statistical institute of Republika Srpska and Statistical institute of the Federation of Bosnia and Herzegovina.

III MEMBERS AND WORK METHODOLOGY

Article 4

The Coordination Board consists of nine members and they are rectors of all seven universities in Bosnia and Herzegovina or persons they designate; one member appointed by the Federal minister of education and science and one member appointed by the Minister of education and culture of the Republika Srpska.

Article 5

In case a member of the Coordination Board is prevented to attend a meeting, he/she can delegate authorised deputy.

Article 6

In case of resignation or permanent incapacity of a member of the Coordination Board, university that is represented by him/her i.e. minister that appointed him/her, shall appoint new member.

Article 7

The Coordination Board works at sessions.

The session of the Coordination Board can only be held when at least six members with the right to vote are present, from which each peoples must be represented with two members of the Coordination Board.

Article 8

All decisions within the Coordination Board are made by consensus of all members.

Article 9

The working methodology of the Coordination Board in regard to issues that are not regulated in these Rules of Procedure shall be regulated by conclusion of the Coordination Board.

Article 10

The sessions of the Coordination Board may be attended by representatives of the Project coordination units (PCU – Education) from the Federation of Bosnia and Herzegovina and Republika Srpska, as well as representatives of competent ministries.

Representatives of other national and international institutions, engaged in Higher Education area, may attend the sessions of the Coordination Board, upon its approval.

Article 11

The obligation of the members of the Coordination Board is to keep from unauthorised access and publication materials marked as “official secret” or “business secret”, in accordance with the law, statute and general documents of the Coordination Board. The Coordination Board decides which materials are marked as such, and which materials are clear.

Publication of data and credentials representing the Coordination Board shall be done only in a manner determined by the general document of the Coordination Board.

No member of the Coordination Board may undertake any activity on behalf of the Coordination Board, except with the explicit authorisation of the Coordination Board for such activity. Members of the Coordination Board may publicly appear on behalf of the Coordination Board upon consultations with the chairperson of the Coordination Board.

The same refers to all employees in Subcommittees, Working groups and the Secretariat, as well to the Secretary General.

Article 12

The venue of sessions shall rotate in places of the Universities headquarter alphabetically.

The chairperson of the session is the rector of university where the session is held.

Article 13

The Chairperson of each session of the Coordination Board is authorised for all contacts with the Secretariat until the next session, when this authorisation shall be taken over by the next Chairperson. The Chairperson is also signatory of all documents adopted at that session.

Article 14

The Coordination Board shall employ the Secretary General and is responsible for his/her payment, as well as for the choice of location of his/her office, and also for expenses that occur during the work of the Secretariat. The Secretary General is a member of the HECB by his/her position, but without the right to vote.

IV RIGHTS AND RESPONSIBILITIES OF THE MEMBERS OF THE COORDINATION BOARD

Article 15

The rights and responsibilities of a Coordination Board member are acquired upon his/her appointment.

Article 16

Members of the Coordination Board have the right to compensation for performing their functions. Compensation includes honorarium, per diem, travel expenses, hotel expenses and other eventual expenses related to participation in work of the Coordination Board.

Article 17

Member of the Coordination Board has the right and responsibility:

- to regularly attend sessions,
- to prepare him/herself for it,
- to participate in work and decision making,
- to perform tasks given by the Coordination Board,
- to respect the provision of these Rules of Procedure,
- to propose changes and amendments to draft documents and materials, which are made by the Coordination Board from the scope of their work,
- to propose sessions
- to propose agenda for sessions
- to seek answers for individual questions.

Article 18

For their work members of the Coordination Board are responsible to the bodies, which appointed them.

Article 19

If a Coordination Board member fails to perform or performs, in sloppy manner, his/her responsibilities set up by these Rules of Procedure, the Chairperson of the Coordination Board shall notify bodies, which appointed him/her upon that matter.

Article 20

If a Coordination Board member is prevented for any reason from attending a session, he/she is obliged to inform the Secretariat of the Coordination Board about it, after the reception of an invitation.

V PREPARATION AND CONVENING OF SESSIONS

Article 21

Sessions of the Coordination Board shall be held according to the work program, or when deemed necessary.

Article 22

Sessions are convened by the member of the Coordination Board that will be the Chairperson at the following session of the Coordination Board on his own initiative, upon proposal of three members of the Coordination Board or the Secretariat of the Coordination Board.

All materials, which the Coordination Board discusses, shall be prepared by the Secretariat of the Coordination Board.

Article 23

Invitation to a session shall include an agenda, time and venue of the session. Invitation to session with materials to be discussed at that session shall be delivered to the members and other participants in the session not later than 7 days prior to holding the session.

Article 24

For preparation of individual materials for the Coordination Board, special working groups may be formed, composed of members of the Coordination Board, employees in the Secretariat or professional and science institutions may be engaged.

Article 25

When determining draft agenda, a Chairperson shall take into account to include in it issues falling under the competency of the Coordination Board, and that these issues are sufficiently prepared in the Agenda.

Article 26

All materials to be discussed by the Coordination Board shall be prepared by the Secretariat of the Coordination Board.

In order for the members of the Coordination Board to be able to discuss and make decisions on issues from their competency most successfully and in the highest quality manner, all materials and information on work of the Coordination Board shall be delivered to them timely.

VI WORK AT SESSIONS

Article 27

The work of a session shall be managed by the Chairperson that chairs that session of the Coordination Board.

Article 28

Prior to turning to the agenda, the Chairperson shall determine whether the session is attended by at least six (6) members of the Coordination Board (at least 2 from each constituent people) with the right to vote, so that at this session one could work and make decisions.

Article 29

The agenda for the session shall be adopted by the members of the Coordination Board.

Article 30

During the session, changes and amendments to the order of the agenda items can be made, upon proposal of the Coordination Board members.

Article 31

On other issues, which are on the agenda of the session, prior to decision making, discussion shall be held and when the issue in discussion is discussed adequately, the Chairperson concludes the discussion.

Article 32

No person may speak at session prior to permission of the Chairperson. The Chairperson give a floor to members of the Coordination Board and other attendees, in accordance with the order of applying for word.

Article 33

If for any reason a decision cannot be made on an issue on the agenda, decision on that issue shall be postponed until necessary requirements for decision making are met.

Article 34

If during the Coordination Board session all issues cannot be discussed due to lack of time, the Chairperson shall close the session and at the same time set the date and time, when shall this session be continued.

Article 35

The Chairperson shall break a session of the Coordination Board if it is determined that there is no quorum for holding the session due to some members leaving the session, and will proceed in the manner provided for in the previous Article.

Article 36

The Chairperson is responsible for maintaining order at the session of the Coordination Board.

VII DECISION MAKING AND VOTING

Article 37

The Coordination Board decides on documents and other issues for consideration by making decision or conclusion, or by other acts as provided for by the Statute of the Coordination Board.

When making decisions and conclusions, bearers of work and execution deadline shall be set.

The Coordination Board works in accordance with the Statute, Rules of Procedure and other general documents, which it adopts in agreement with respective Entity Ministries.

Article 38

Changes and amendments of these Rules of Procedures shall be made under the procedure and in the manner, in which it has been adopted.

Article 39

The Coordination Board shall make decisions, conclusions and other documents in the manner provided for in Article 8 of these Rules of Procedures.

Article 40

Decisions, conclusions and other documents are proposed by the Chairperson at session of the Coordination Board.

Decisions and conclusions need to be formulated in short and clear manner, so that they entirely reflect the opinion of the Coordination Board.

Article 41

Voting at the session of the Coordination Board shall be made by raising hands, unless otherwise decided by the Coordination Board.

The votes of the Coordination Board members, who are for a decision or a conclusion shall be called for first, then members, who are against, and lastly those members who wish to abstain.

VIII MINUTES AND OTHER DOCUMENTS

Article 42

At the session, the Coordination Board discuss and decides on issues from its competence, as a rule based on prepared materials.

Article 43

Minutes shall be taken on the work at the session of the Coordination Board.

Minutes shall be taken by the Secretary General of the Coordination Board.

The session may be recorded on a tape, which is an integral part of the Minutes from the session of the Coordination Board, if the Coordination Board makes decision about it.

Article 44

The Minutes from session of the Coordination Board contains basic information on work of session, and especially:

- number, place and date when the session is held,
- Name and surname of Chairperson,
- names and surnames of present and absent members of the Coordination Board,
- name and surname of other attendees,
- confirmation of quorum necessary for work,
- adopted agenda,
- important content of discussions on individual issues,
- results of voting and text of decision i.e. conclusion.

Opinion of individual member of the Coordination Board shall be included in Minutes if they insist upon that.

Article 45

Minutes shall be made within 7 days from holding the session of the Coordination Board.

Minutes shall be submitted to the members of the Coordination Board with invitation to the next session, where it shall be adopted.

Each written material, which was discussed at the session shall be attached to Minutes.

Minutes shall be signed by the Chairperson of the Coordination Board session and Minute keeper.

Article 46

Minutes and other documents and materials on work of the Coordination Board represent authentic documents, which shall be kept in accordance with provision of the Statute and regulations on archiving of materials, documents and data in the Coordination Board.

Article 47

Reference language of official documents of the Coordination Board is Bosnian, Croatian and Serbian.

IX TRANSITIONAL AND FINAL PROVISIONS

Article 48

Every six months, the Coordination Board shall submit report on its work to the Federal Minister for Education and Science and Ministry of Education and Culture of Republika Srpska.

Article 49

These Rules of Procedure shall enter into force on the day of its adoption.

No:
Date: 19 June 2003

CHAIR OF THE HECB:
Prof. dr. Boriša Starović

Annex 4

Example of a three month rotation of a three person presidium

University	A	B	C	D	E	F	G
3months	PP	P	PE				
6months		PP	P	PE			
9months			PP	P	PE		
12months				PP	P	PE	
15months					PP	P	PE
18 months	PE					PP	P

PP = past president
 P = president
 PE = president elect

The period of rotation can be longer or shorter than three months

The period of rotation need not be the same as the frequency of meetings. If it is the same, it would be desirable to decouple the venue and hosting of the meeting from the presidency.

The fact that the Presidium has three people is totally independent of the earlier, and originally very important, principle that the three peoples should always be represented in any group.

Annex 5

Examples of subscription levels from BiH Universities to the BiH Rectors' Conference

Line	University	Banja Luka	Bihac	Mostar E	Mostar W	Sarajevo	Sprska Sar	Tuzla	Total
	Model 1								
2	Students (a)	11605	4900	4837	8000	47407	8219	11608	96576
3									
4	Subscription (b)	9	4	4	6	37	6	9	75
5									
6	Income (c)	18.8	7.8	6	not sent	54.3	10.7	17	
7									
8	% income (d)	0.05	0.05	0.06		0.07	0.06	0.05	
9	Model 2								
10	Students (e)	10765	4200	3978	5300	31181	4713	7859	67996
11									
12	Subscription (f)	12	5	4	6	34	5	9	75
13								Fixed	
14	Income (g)	12.0	5.4	2.4	not sent	31.9	7.1	11.7	
15									
16	% income (h)	0.10	0.09	0.18		0.11	0.07	0.07	
17	Model 3								
18	Fixed (i)	4	4	4	4	4	4	4	28
19									
20	Variable (j)	7	3	3	4	22	3	5	47
21									
22	Total (k)	11	7	7	8	26	7	9	75
23									
24	% income (l)	0.10	0.13	0.28		0.08	0.10	0.08	

All figures were provided by the Council of Europe from data supplied by the universities

The basis for the calculations is that the core budget for BiH Rectors' Conference is BAM 75 000

Model 1: Based on total income and total number of students

- Line 2 (a) Total of full time plus part time students
- Line 4 (b) Calculated subscription in thousand BAM
- Line 6 (c) Total income (all sources) in million BAM
- Line 8 (d) Calculated subscription as % of total income

Model 2: Based on weighted student numbers and income from governmental sources

- Line 10 (e) Full time students plus 0.1 x part time students.
- Line 12 (f) Calculated subscription in thousand BAM
- Line 14 (g) Income from governmental sources only in million BAM.
- Line 16 (h) Calculated subscription as % of income from governmental sources

Model 3: As for model 2, but with a fixed component of BAM 4 000 from each university

- Line 18 (i) Fixed component of subscription set here at BAM 4 000, but any other amount could be chosen
- Line 20 (j) Calculated variable component of subscription.
- Line 22 (k) Calculated total subscription in thousand BAM (lines 20 + 22)
- Line 24 (l) Calculated total subscription as % of income from governmental sources