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TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC UNIVERSITIES IN KOSOVO

Financial Management



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www.orca-ks.org

info@orca-ks.org

Simon Shiroka, H-11, No. 8

Prishtina, 10000, Kosovo

Researchers and authors:

Liridona Ademaj

Skord Retkoceri

Design and Layout:

envinion



“Our Father, who art in heaven, give us the power to keep our mouths shut when we have nothing to say. And forgive us the patience to think before we write! Inspire us with a sharp sense of justice to speak not only without bias, but to also act thus! Save us from the traps of grammar, distortions of language and errors of typing. Amen!”

[Faik Konica]

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INTRODUCTION

Public funds comprise the main financial resource for public universities, therefore transparency and accountability of these institutions is necessary.

The data for this report have been taken from the Budget Reports of public universities, the National Audit Office, as well as from the Kosovo Agency of Statistics.

The Ministry of Education, Science and Technology (MEST) refused to share with ORCA the Internal Audit Report for the six public universities as well as the Financial Report on Expenditures of Public Universities.

Despite the Law on Access to Public Documents and the Memorandum of Understanding between ORCA and MEST, the request for access to these documents has been rejected.

CONTEXT

In the Kosovo Education Strategic Plan for 2017-2021¹(KESP), expenditure per student in higher education is 703 Euro. In 2017, 2,647,000 Euro was foreseen to be spent in higher education; in 2018, 3,478,000 Euro; in 2019, 3,648,000 Euro; in 2020, 5,099,000 Euro, while in 2021, 7,357,000 Euro is planned to be spent.

Regarding the economic categories, only for salaries and allowances 9,478,000 Euro is planned to be spent, while for subsidies and transfers 7,600,000 Euro is foreseen to be spent. For higher education, MEST allocates 7,636,000 Euro, other agencies support with 10,488,000 Euro, while donors fund with 4,108,000 Euro, i.e. a total of 22,232,000 Euro.

Kosovo Education and Employment Network (KEEN) published a mid-term evaluation of the implementation of KESP. The majority of expenditures on higher education continue to be allocated to the University of Prishtina (65.5%). Other public higher education institutions account for 34.5% of expenditures on higher education. While, the total budget allocated to public universities for 2019 is 53 million Euro. Regarding the scientific research fund, KEEN has found that there is a lack of public information on expenditures incurred, and that there is no accountable evidence of budgetary expenditures, including scientific researchers, expected scientific and practical contributions of funded research projects. From the Science Fund, MEST allocated 396,000 Euro in 2017 and 2018, while 1,252,000 Euro were allocated in 2019²

In the report “Borgjezia e Akademisë” (2019), ORCA did a research on the 2018 asset declarations of the academic management staff of all public universities in Kosovo, published on the website of the Anti-Corruption Agency. The research included the Steering Committee, Rector, Vice-rectors, Deans, and Vice-deans of seven public universities. In total, 170 professors in management positions in Kosovo public universities are paid 313,354 Euro per month, from which over 124,000 Euro are allowances (40% of monthly income).

¹ https://masht.rks-gov.net/uploads/2017/02/20161006-psak-2017-2021_1.pdf

² KEEN, 2019. Mid-term Evaluation: Implementation of Education Strategic Plan in Kosovo 2017-2021

Rectors of public universities are paid on average 2517 Euro per month, from which approximately 1,171 Euro are allowances; vice-rectors of public universities are paid on average 2,301 Euro per month; deans of public universities are paid on average 2202 Euro per month; vice-deans of public universities are paid on average 1,927 Euro per month. Ahmet Shala, Dean of the Faculty of Mechanical Engineering at the University of Prishtina is the most paid, with 3,367 Euro per month. Comparatively, the highest salary in Kosovo, i.e. the salary of the president, is 2,390 Euro per month, according to the new Law on Salaries in the Public Sector.³

The average expenses per student in public universities in 2019 is only 781 Euros.⁴ According to the Labor Force Survey Q3 2019 of the Kosovo Agency of Statistics, only 15% of people of age 15-24 are employed. This figure is even lower among girls and women, where only 8% of this age group is employed, compared to 21% at boys and men. Whereas regarding the age group 25-34 years, the percentage of employed is 38.4%. For men, this percentage is 54.7% and for women only 19.4%.⁵

The total number of full-time academic staff in public universities is 1,296 (453 women and 843 men), while the number of adjunct staff is 900 (329 women and 571 men).

The total number of students enrolled at the Bachelor level, in all public universities, is 58,559. Whereas the number of graduated students (2018/2019) is 7,684.

The total number of students enrolled at the Master's level is 9,836. While, the number of graduated students at this level (2018/2019) is 2,334.

³ <http://orca-ks.org/wp-content/uploads/2017/02/Borgjezia-e-Akademis%C3%AB-1.pdf>

⁴ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021

⁵ <https://ask.rks-gov.net/media/5214/afp-tm3-2019-shqip.pdf>



UNIVERSITY OF PRISHTINA “HASAN PRISHTINA”

From the Kosovo state budget, a total of 34,785,502 Euro has been allocated to the University of Prishtina only in 2019.

Most of the budget allocated to this university goes for the academic staff salaries and allowances, with 21,263,857 Euro or 61%, foreseen for 2,081 employees.

According to the Kosovo Agency of Statistics, the University of Prishtina has a total of 930 full-time academic staff, out of whom 339 or 36% are women, and 452 are adjunct, from whom 195 or 43% are women.

In 2018, ORCA analyzed the statements of the engaged academic staff and adjunct staff at each faculty for the academic year 2017/2018⁶.

During the academic year 2017/2018, the UP spent 2,333,060 Euro on extra rates of existing academic staff. While for the same academic year, it spent 1,036,265 Euro for adjunct staff. In total, during this academic year, UP has spent 3,368,325 Euro on extra rates and external associates.



At Bachelor level, the UP has a total of 33,182 students; 6,682 students at the Master's level while 66 candidates enrolled in PhD studies.

Whereas with 3.3 million Euro, UP could employ 247 professor assistants, thus increasing the existing academic staff by 50%, which consists of more than 550 persons with professional titles (Assistant Professor, Associate Professor, Full Professor).

On the other hand, annual expenditure per student in the University of Prishtina are only 876 Euro.⁷

⁶ http://orca-ks.org/wp-content/uploads/2018/10/Analiza-e-mbinormave_Shqip_Web.pdf

⁷ KEEN, 2019. MI-D-TERM EVALUATION: Implementation of Kosovo Education Strategic Plan 2017-2021



Budget line for the University of Prishtina, 2019

At the Bachelor level, UP has a total of 33,018 students; at the Master's level, a total of 6,682 students, while the number of candidates enrolled for PhD studies is 66.

At the Bachelor level, there are 19,160 girls and 13,858 boys. As for the number of graduated students, there are 3,400 girls and 1,904 boys, thus comprising 5,304 graduates.

At Master's level, there are 4,005 girls and 2,677 boys. While the number of graduated students is 1,145 girls and 824 boys, hence 1,969 graduate students.

A total of 35 women and 31 men attend PhD studies.

The Professor - Student ratio in the University of Prishtina is 1:46.⁸

Expenses Percentage

Wages and salaries	21,263,857	61.13%
Goods and services	3,402,645	9.78%
Utilities Expenditures	7,500,000	4.15%
Subsidies and transfers	1,444,000	4.15%
Capital expenditures	7,500,000	21.56%
Total expenses 2019	34,785,502	100%

⁸ Ibid



UNIVERSITY OF PRIZREN “UKSHIN HOTI”

From the budget of Kosovo for the University of Prizren, a total of 2,826,772 Euro were allocated only for 2019.

Majority of the budget allocated for this university goes to the salaries and allowances for the academic staff, with 1,853,772 Euro or 65%, provided for 147 employees.

According to the Kosovo Agency of Statistics, the University of Prizren has 65 regular academic staff, from whom 18 or 28% women, and 182 adjunct staff, from whom 61 or 33% women.

The National Audit Office (NAO) published the Audit Report on the Ministry of Education Science and Technology for 2018. This audit was based on the analysis of annual financial statements, financial management and control, and the implementation of recommendations.

The Audit Report on MEST for 2018⁹, found the following irregularities in the University of Prizren: the issue A3 “*Payment made to professors of University of Prizren for overtime classes*”.

The Audit Office found that two professors had been compensated for overtime classes, although there was no evidence that the classes had been held. Furthermore, it has been clarified that the payment made without evidence in two specific cases was in a value of 500 Euro.

Management of the University informed the Audit Office that the compensation had been made based on the exams held, although the exams are to be held within regular classes.

This Office recommended to the Minister of Education and the Rector of the University to ensure that payments are made only for overtime classes, and that payments without any evidence are returned to the budget of the Ministry.

NAO informed that the recommendation of 2015 regarding the internal auditor in the University of Prizren had not been yet addressed. The Internal Audit in the University of Prizren continues to be paid without producing any audit report because the Ministry and the UPZ have not been agreed on how to engage them.

⁹ <http://www.zka-rks.org/wp-content/uploads/2019/06/Raporti-MAShT-E.pdf>



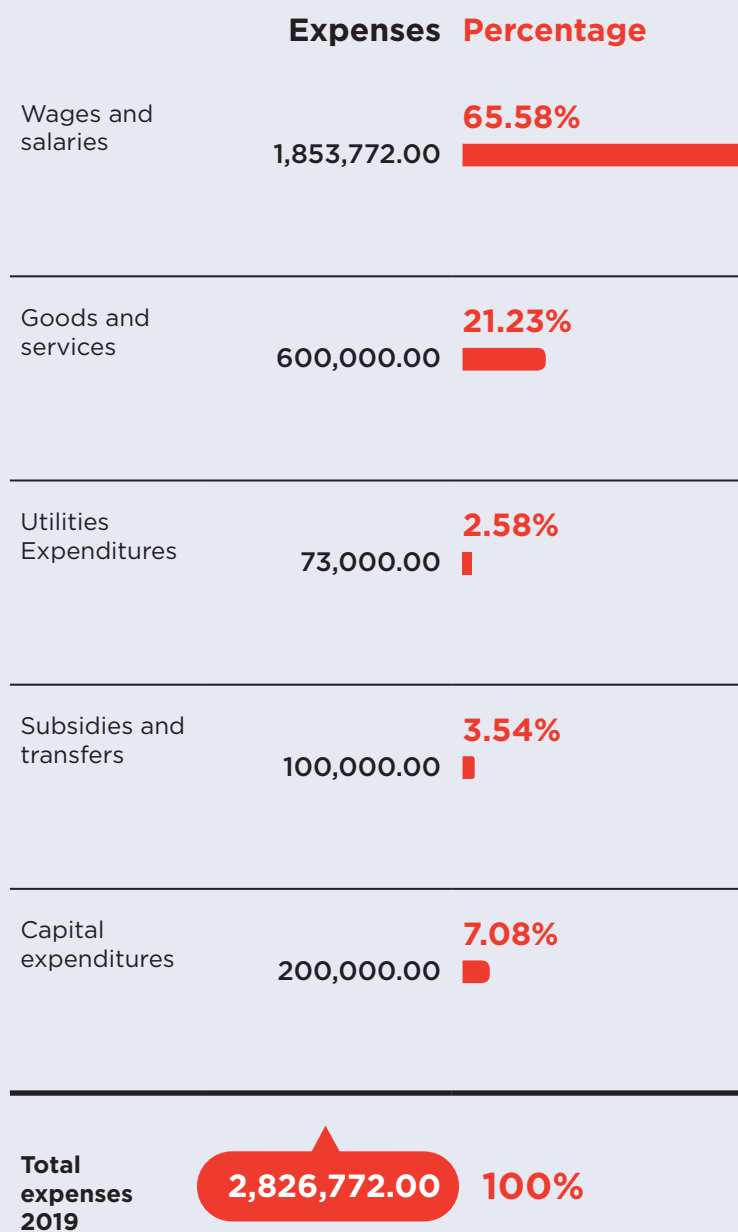
Budget line for the University of Prizren, 2019

The University of Prizren has a total of 5,388 students in Bachelor level, while 259 students in Master's level, and there is no student in PhD studies.

At the Bachelor level, there are 3,703 girls and 1,685 boys; While the number of graduated students is 482 girls and 240 boys, i.e. 722 graduates.

At Master's level, there are 126 girls and 133 boys. In terms of the number of graduated students, there are 65 girls and 39 boys, i.e. 104 graduates.

The professor-student ratio in the University of Prizreni is 1:73. Annual expenses per student in the University of Prizren are only 501 Euro.¹⁰



¹⁰ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021



UNIVERSITY OF GJAKOVA “FEHMI AGANI”

For 2019, the budget of Kosovo allocated a total of 2,460,046 Euro to the University of Gjakova.

Majority of the budget allocated to this University goes for salaries and allowances to the academic staff, with 1,243,707 Euro or 50%, provided for 111 employees.

According to the Kosovo Agency of Statistics, the University of Gjakova has a total of 43 full-time academic staff, from whom 19 or 44% are women, and 51 are adjunct staff, out of whom 15 or 29% are women.

The University of Gjakova provides no detail about budget expenses. In the report published on the official website, only the categories and the total amount for each category are presented¹¹

The University of Gjakova, at the Bachelor level has a total of 2,419 students; at the Master's level, there is no student, and neither at PhD level.

At the Bachelor level, there are 1,854 girls and 565 boys. In terms of the number of graduated students, there are 335 girls and 56 boys, i.e. 391 graduates.

At the Master's level, there is no student enrolled.

The professor-student ratio is 1:48, while the expenses per student in 2019 was 1,061 Euro per student.¹²

¹¹ <https://uni-gjk.org/upload/dokumentet/91722-Analiza%20e%20shpenzimeve%20p%C3%ABr%20vitin%202018.pdf>

¹² KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021



At the Bachelor level, there are 1,854 girls and 565 boys. Whereas as far as the number of graduated students is concerned, there are 335 girls and 56 boys, i.e. 391 graduates.



BUDGET LINE FOR THE UNIVERSITY OF GJAKOVA, 2019

	Expenses	Percentage
Wages and salaries	1,243,707.00	50.56%
Goods and Services	316,339.00	12.86%
Utilities	50,000.00	2.03%
Subsidies and transfers	100,000.00	4.06%
Capital Expenditures	750,000.00	30.49%
Total expenses 2019	2,460,046.00	100%



UNIVERSITY OF MITROVICA “ISA BOLETINI”

From the budget of Kosovo, a total of 4,788,969 Euro was allocated to the University of Mitrovica only in 2019.

Majority of the budget allocated to this university goes for salaries and allowances of the academic staff, with 2,757,430 Euro or 57%, provided for 147 employees.

According to the Kosovo Agency of Statistics, the University of Mitrovica has a total of 103 full-time academic staff, from whom 30 or 29% are women, and 45 are adjunct staff, from whom 16 or 36% are women.

The budget published by UMIB¹³, for 2019 indicates that they received a total of 2,642,769 Euro by the budget of the state, while 111,661 Euro managed being provided from their own revenues.

In the monthly payroll statement, the rector of this university received 2,731 Euro monthly, while the three vice-rectors, out of a total of 6,595 euro, received 2,198 Euro.

A total of 32,375 Euro have been allocated to full-time professors at this university from the state budget, i.e. these professors received 2,023 Euro.

Whereas 10 associate professors were paid 18,575 Euro from the state budget, namely 1,857 Euro per individual.

For 30 assistant professors 41,133 Euro were allocated, thus 1,371 Euro per professor.

In addition, the state budget spent 41,132 Euro for 48 assistants, i.e. 857 Euro per each.

Regarding capital investments, UMIB had available 1,050 000 Euro.

¹³ <https://www.umib.net/ep-content/uploads/2020/01/buxheti-2019.pdf>



BUDGET LINE FOR THE UNIVERSITY OF MITROVICA 2019

The University of Mitrovica, at the Bachelor level, has a total of 2,676 students; at the Master's level 212 students, while at PhD level there is no student enrolled.

At the Bachelor level, there are 1,606 girls and 1,070 boys. While the number of graduated students is 155 girls and 104 boys, i.e. 259 graduates.

At Master's level, there are 98 girls and 114 boys. While the number of graduated students is 23 girls and 24 boys, i.e. 47 graduates.

The professor-student ratio is 1:30, while expenses for students in 2019 were 1,658 Euro per student.¹⁴

Expenses Percentage

Wages and Salaries	2,757,430.00	57.58%
Goods and Services	866,339.00	18.09%
Utilities Expenditures	215,200.00	4.49%
Subsidies and transfers	100,000.00	2.09%
Capital Expenditures	850,000.00	17.75%
Total expenses 2019	4,788,969.00	100%

¹⁴ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021



UNIVERSITY OF PEJA “HAXHI ZEKA”

From the budget of Kosovo, a total of 3,628,197 Euro was allocated to the University of Peja in 2019 alone.

Most of the budget allocated to this university goes for salaries and allowances of the academic staff, with 2,095,782 Euro or 57%, provided for 162 employees.

According to the Kosovo Agency of Statistics, the University of Peja has 72 full-time academic staff, from whom 30 or 42% are women, and 91 are adjunct staff, from whom 20 or 22% are women.

In the UHZ budget report for January-October 2019, income from student payments accounted for 111,400 Euro.

Eighty-four thousand one hundred and ninety-two Euro have been collected from the Faculty of Business; from the Faculty of Tourism and Hotel Management, 8,413 Euro; from the Law Faculty, 37,264 Euro; from the Faculty of Arts, 2,331 Euro, and from the Faculty of Agribusiness, 6,445 Euro have been collected. Meanwhile expenses for salaries and allowances reached the amount of 1,564,928 Euro, from which 1,304,409 Euro were spent only for net salaries (according to UHZ's 3rd quarter report on 229 employees), 73,408 Euro for employees' pension contributions, 112,244 Euro for personal income tax, and 1,457 Euro for the Union of Independent Trade Unions of Kosova (BSPK).

Regarding subsidies and transfers, in its 3rd quarter report, UHZ stated that expenses reached the amount of 1,676,000 Euro, but this amount does not provide detailed data on how it was specifically spent.

Whereas, capital expenses reach an amount of 224,869 Euro, which were spent on the project “Construction and renovation of UHZ infrastructure”.

At issue A5 of the report of the Auditor General, “Other engagements against the Regulation on Personal Income”, the Audit Office found that six professors at the University of Peja had violated the Personal Income Regulation in terms of the academic staff in the University of Peja “Haxhi Zeke”. These professors, who have regular employment agreements and overtime classes agreement with the University of Peja, had made part-time employment agreements even with other universities.

Two of them were engaged in the University of Prizren, one in the University of Ferizaj and three professors in the University of Prishtina, which is a violation of the Personal Income Regulation in the University of Peja.

UHZ had asked these professors to declare Their secondary salary and in case there is no, they would sign the statement that they had not been engaged in any other job position.



BUDGET LINE FOR THE UNIVERSITY OF PEJA, 2019

The six professors of UHZ signed this statement although at the same time they had been engaged in and paid by other universities as part – time employees.

The Audit Office recommended that the Ministry, together with rectors of universities, should ensure proper monitoring of their academic staff in order that their engagements at universities are in line with the regulation. In any case as the above, the possibilities to get back the payments made as well as the future status of the staff should be considered.

University of Peja, at Bachelor level, has 10,479 students; at Master's level 2,498 students, while at PhD level there is no student enrolled.

At the Bachelor level, there are 4,248 girls and 6,231 boys. In terms of the number of graduated students, there are a total of 335 girls and 203 boys, i.e. 538 graduates.

At Master's level, there are 1,419 girls and 1,079 boys. As for the number of graduated students, there are in total 121 girls and 77 boys, i.e. 198 graduates.

The professor – student ratio is 191:1, while expenses in 2019 are 279 Euro per student.¹⁵

¹⁵ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021





UNIVERSITY OF GJILANI “KADRI ZEKA”

From the budget of Kosovo, a total of 2,363,982 Euro have been allocated to the University of Gjilan in 2019 alone.

Most of the budget allocated for this university goes to the salaries and allowances of the academic staff, with 1,297,643 Euro or 55%, provided for 115 employees.

According to the Kosovo Agency of Statistics, the University of Gjilan has a total of 38 full-time academic staff, from whom 8 or 21% are women, and 56 are associates, from whom 18 or 32% are women.

Regarding the issue A4, “Compensating members of the Senate in the University of Gjilan without any meeting”, the Audit Office found that 19 Senate members at the University of Gjilan were compensated for four meetings (January, February, March, and June 2018), which were not held by the Senate. It has been further clarified that the value of the compensation is 5,320 Euro ($19 \times 4 \times 70 \text{€} = 5.320 \text{€}$).

The Auditor’s recommendation is that the Ministry, together with the Rector, should ensure that all unjustified payments to compensate members of the Senate are returned to the Kosovo budget.

The University of Gjilan, at the Bachelor level has a total of 2,831 students; at the Master’s level, a total of 157 students, while there is no student at PhD level.

At the Bachelor level, there are a total of 1,896 girls and 935 boys. As for the number of graduated students, there are 267 girls and 88 boys, i.e. 355 graduates.

At Master’s level, there are a total of 70 girls and 87 boys. There are no data available on graduates at this level.

Student – Professor ratio is 74:1, while expenses for students in 2019 are 791 Euro per student.¹⁶

¹⁶ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021



BUDGET LINE IN THE UNIVERSITY OF GJILANI, 2019



Auditor's recommendation is that the Minister together with the Rector should ensure that all unjustified payments to compensate members of the Senate are returned to the Kosovo budget.

Expenses Percentage

Salaries and Wages	1,297,643.00	54.89%
Goods and services	316,339.00	13.38%
Utilities Expenditures	50,000.00	2.12%
Subsidies and transfers	100,000.00	4.23%
Capital Expenditures	600,000.00	25.38%
Total expenses 2019	2,363,982.00	100%



UNIVERSITY OF APPLIED SCIENCES IN FERIZAJ

From the budget of Kosovo, a total of 2,247,227 Euro was allocated to the University of Applied Sciences in Ferizaj in 2019 alone.

A great amount of the budget allocated to this university goes for salaries and wages of the academic staff, with 777,857 Euro or 34%, provided for 60 employees.

According to the Kosovo Agency of Statistics, UASF has a total of 45 full-time academic staff, from whom 9 or 20% women, and 23 adjunct staff, from whom 4 or 17% women.

The University of Applied Sciences in Ferizaj has a total of 1,328 students at the Bachelor level, and 58 students at the Master level, while there is no student in doctoral level.

At Bachelor level, there are 709 girls and 619 boys. While as for the number of graduated students, there is a total of 75 girls and 40 boys, i.e. 115 graduates.

At Master's level, there are 11 girls and 17 boys. While as for the number of graduated students, there are 12 girls and 4 boys, i.e. 16 graduates.

The professor – student ratio is 1:41, while expenses for students in 2019 were 1,657 Euro per student¹⁷

¹⁷ KEEN, 2019. MID-TERM EVALUATION: Implementation of Education Strategic Plan in Kosovo 2017-2021



BUDGET LINE FOR THE UNIVERSITY OF FERIZAJ, 2019



University of Applied Sciences in Ferizaj at Bachelor level has a total of 1,328 students, while at Master's level a total of 58 students. There is no student enrolled at PhD level.

Expenses Percentage

Wages and Salaries

777,857.00 **34.61%**

Goods and services

228,370.00 **10.16%**

Utilities Expenditures

21,000.00 **0.93%**

Subsidies and Transfers

70,000.00 **3.11%**

Capital expenditures

1,150,000.00 **51.17%**

Total expenses 2019

2,247,227.00 100%

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