

European Commission
Directorate-General for Economic and Financial Affairs
Economic Policy Committee

**Efficiency and effectiveness of public
expenditure
on tertiary education in the EU**

**ANNEX : COUNTRY FICHE
SLOVAK REPUBLIC**

**Joint Report by the Economic Policy Committee
(Quality of Public Finances)
and the Directorate-General for Economic and Financial Affairs**

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Brief characterization of the tertiary education system

1. Main features

In the academic year 2009/2010, higher education in the Slovak Republic is provided by 20 public, 10 private and 3 state higher education institutions (HEI). In addition, there are 3 higher education institutions that have their seat in a foreign country and their performance in the Slovak Republic is not governed by the Slovak law (so-called foreign higher education institutions).

Number of students as of 31 October 2009							
		public		private		state	
		Slovak citizens	Foreign citizens	Slovak citizens	Foreign citizens	Slovak citizens	Foreign citizens
I. and II. level	Full-time	130,273	3,159	8,843	172	1,564	7
	Part-time	42,966	868	25,444	3,148	2,463	271
III. level (PhD.)	Full-time	5,385	135	44	16	2	0
	Part-time	4,290	568	206	71	218	14

The Slovak Republic has implemented the Bologna Process into its higher education system. Higher education studies are based on a system of credits complying with the ECTS principles. The higher education system follows a three-level model (bachelor's degree study programmes, master's/engineer's degree study programmes, PhD study programmes). Selected fields of study, such as general medicine or theology, are an exemption to the rule, as the completion of the first-level study cycle results in the award of a second-level higher education degree. Standard length of first-level study programmes is usually three academic years (180 credits); in the case of second-level programmes it is two academic years (120 credits). Standard length of PhD programmes is three to four academic years.

A majority of private higher education institutions were founded in the 2003-2006 period (Slovakia had only one private higher education institution in 2002).

1/ TEACHING	Slovak Republik										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Academic staff per 1000 inhabitants relative to the average	1.86	1.73	1.94	1.92	2.03	2.06	2.04	2.05	:	:	:
Number of students per 1000 inhabitants	20.9	22.8	25.2	26.8	28.3	29.4	30.6	33.7	:	:	:
Number of students (graduate and post-graduate) per 1000 inhabitants	:	:	:	:	:	:	:	:	:	:	:
<i>From public institutions</i>	:	:	:	:	:	:	:	:	:	:	:
<i>From private government-dependent institutions</i>	:	:	:	:	:	:	:	:	:	:	:
<i>From private independent institutions</i>	:	:	:	:	:	:	:	:	:	:	:
Ratio of students per academic staff	11.2	13.2	13.0	14.0	13.9	14.3	15.0	16.4	:	:	:
Number of graduates per 1000 inhabitants	:	4.03	4.29	4.98	5.37	6.32	6.73	6.93	:	:	:

Ratio of graduates per 1000 academic staff	:	2.3	2.2	2.6	2.6	3.1	3.3	3.4	:	:	:	
Standardized recruiter view indicator (graduates' employability as perceived by recruiters)	:	:	:	:	:	:	:	:	:	:	:	
Standardized peer view country indicator (quality perceptions among peers)	:	:	:	:	:	:	:	:	:	:	:	
PISA scores	:	:	482	:	:	:	:	:	:	:	:	
Average total time spent by students in order to obtain a BA degree	:	:	:	:	:	:	:	:	:	:	:	
Average total time spent by students in order to obtain a MA degree	:	:	:	:	:	:	:	:	:	:	:	
Remuneration of a tenured university professor with 10 year seniority	:	:	:	:	:	:	:	:	:	:	:	
2/ RESEARCH												
		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Publications per 1000 inhabitants		0.18	0.19	0.18	0.18	0.18	0.19	0.22	0.2	:	:	:
		1998-2002	1999-2003	2000-2004	2001-2005	2002-2006	2003-2007					
Quality of research (position in the ISI citation index)		1.82	2.04	2.02	2.23	:	:					
% of research done in cooperation with industry		:	:	:	:	:	:					
3/ EXPLANATORY FACTORS FOUND RELEVANT FOR EFFICIENCY												
		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Main categories of composite indicator												
Funding Rules Indicator		:	:	:	:	:	:	:	:	:	2.9	:
Evaluation Indicator		:	:	:	:	:	:	:	:	:	6.5	:
Staff Policy Indicator		:	:	:	:	:	:	:	:	:	10	:
4/ EXPENDITURE												
		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total public expenditure on tertiary education institutions as a percentage of GDP		:	0.80	0.78	0.89	0.86	0.91	1.09	0.91	:	:	:
Total expenditure per student (€)		:	:	:	:	:	:	:	:	:	:	:
Private expenditure on tertiary education institutions as a percentage of GDP		:	:	:	:	:	:	:	:	:	:	:
Total expenditure on education as a percentage of GDP		4.53	4.40	4.15	4.00	4.31	4.30	4.19	3.85	:	:	:
Private expenditure on education as a percentage of GDP		0.10	0.09	0.15	0.11	0.20	0.45	0.75	0.70	:	:	:
Funds from non-public sources as % of total income (fees, earned income, investment, other)		:	:	:	:	:	:	:	:	:	:	:
Tuition fees as average of the cost of tuition		:	:	:	:	:	:	:	:	:	:	:
Percentage of funds received by private government-dependent institutions from public sources		:	:	:	:	:	:	:	:	:	:	:
Total public expenditure on grants, loans, and other programmes to cover education and/or maintenance of students (universal programmes / by		:	:	:	:	:	:	:	:	:	:	:

Source: Eurostat, OECD, UOE and Member States.

2. Structure of institutions and funding arrangements

Structure of institutions

State HEIs are founded and managed by the Ministry of Defence of the Slovak Republic, the Ministry of the Interior of the Slovak Republic and the Ministry of Health of the Slovak Republic, and funded as government-subsidised organisations. Their financing is in sole responsibility of these ministries. **Public HEIs** are largely financed through subsidies from the state budget provided by the Ministry of Education of the Slovak Republic based on a subsidy agreement. The state has no liability for obligations of public HEIs. **Private HEIs** are only entitled to a state budget subsidy to ensure the statutory entitlement of their students to social security (provision of social scholarships). Private HEIs may also apply for subsidies for study programmes, institutional research or their development, but have no legal entitlement to them; from 2002 until the present, a subsidy for the provision of accredited study programmes was granted to private HEIs in one year only. **Foreign HEIs** are not financed by the Slovak Republic and provide their study programmes pursuant to foreign legislation.

HEIs can be classified as **non-university type professional HEIs** or **university-type HEIs**. Professional HEIs provide only Bachelor's degree programmes and conduct mainly applied research. Non-classified HEIs and universities conduct mainly basic research. Classification of public HEIs also affects the allocation of subsidies from the state budget. HEIs are classified upon the proposal by the Accreditation Commission following a comprehensive assessment of the activities performed by a respective institution over the past six years. Classification of a HEI takes primarily into account the quality assessment of its research activities.

All public HEIs have already been assessed for their past activities but no decision on re-classification of any of these institutions was made. It means that the current state of play is the same as in 2002 when all public HEIs were defined as universities. On that account, the classification criterion is not reflected in the system of funding for 2010. A portion of public HEIs are expected to lose their university status in the course of 2010.

Staff policy

Both **public and private HEIs** are fully competent to decide on the number as well as the structure of jobs. Qualification requirements and staffing procedure are governed by applicable regulations. As regards their wages, HEI employees are remunerated pursuant to the Act on remuneration of employees performing work in the public interest.

Sources of funding

Any revenue of a **public HEI** is deemed its own revenue and the institution can independently decide on the use of its revenues. It does not apply to earmarked subsidies granted from the state budget, which can only be used for the specifically defined purpose (e.g. to ensure operation of a specific department, for PhD scholarships, meal subsidies for students, or as a contribution to a specific project carried out by the institution). Majority of subsidies are provided to public HEIs without the specification of the purpose of their use (block grants); the school can decide whether they will be spent on wages, payments for utilities, etc.

As regards the subsidies from the state budget, the largest portion for the provision of educational activities is allocated using a formula based on the number of students. The number of students is adjusted by coefficients taking into account the form of study, level of study, personnel capacities required for a study programme, qualification structure of pedagogical staff of a higher education institution, etc. Account is also taken of the number of graduates of a higher education institution registered as unemployed by labour offices. The calculation of the subsidy also reflects the number of graduates for the pervious calendar year – adjusted by the form, level and field of study (for a more detailed description see the next section). A small portion of the subsidy is derived from historical data – expenditure on wages for operating staff.

Public HEIs may engage in business activities provided that the revenues are not lower than costs. The use of certain categories of revenues is restricted by law. For example, in the case of revenues from tuition fees, the public HEI is required to use a portion of such revenues for a student scholarship scheme. In the case of the sale of immovable property, the revenues gained will become part of a replacement fund, etc.

The primary sources of income for private HEIs are tuition fees.

Regional authorities are not involved in the funding of HEIs. The level of cooperation between HEIs and local authorities is varied. Municipal or regional officials are usually members of an Administrative Board (Board of Trustees) of a HEI. HEIs may participate in the provision of research and advisory services for local authorities.

Funding rules – allocation of state budget subsidies

Within the limits approved in the Act on State Budget, the Ministry of Education prepares allocation of subsidies from the state budget for public HEIs (and private ones, as the case might be) pursuant to an applicable methodology. Following discussions with representative bodies of HEIs (the Slovak Rector Conference; the Council of HEIs - comprising representatives of Academic Senates of HEIs and faculties; and the Student Council of HEIs - comprising student representatives), the Ministry of Education (Ministry) concludes subsidy agreements with individual public HEIs for the particular calendar year.

Four types of subsidies are granted to public HEIs:

- subsidy for the provision of accredited study programmes (approximately 79.2% of the allocation for 2010);
- subsidy for science and technology (approximately 8.6% of the allocation for 2010);
- development subsidy (approximately 1.3% of the allocation for 2010);
- subsidy for social assistance to students (approximately 10.9% of the allocation for 2010).

The aforementioned figures are based on a draft subsidy allocation for 2010.

The amount of individual types of subsidies awarded to individual HEIs depends on various factors:

Calculation of a **subsidy for the provision of accredited study programmes** consists of several components, in particular the following:

- wages plus social contributions – research and artistic activities performed by a HEI (account is taken of indicators used in the calculation of a subsidy for science and technology, except for the scientific and research capacity) - approximately 28% of current expenditure is budgeted under this subsidy, with a rising share over the past years;
- wages plus social contributions – educational activities performed by a HEI - approximately 42% of current expenditure is budgeted under this subsidy;
- wages plus social contributions of operating staff (with a share of approximately 1.6%);
- PhD scholarships (with a share of approximately 11.5 %)
- the remaining portion (approximately 18%) is allocated to
 - goods and services – based on educational activities
 - goods and services – based on foreign grants (except for research grants)
 - funding of specific needs and practical trainings
 - support of information systems.

In addition, capital expenditures are also allocated (they account for approximately 8% of current expenditure budgeted under the subsidy for the provision of accredited study programmes in 2010).

Educational activities performed by a HEI are derived from the **adjusted number of students** (always based on the number of students as of 31 October of the year preceding the fiscal year). In determining the weight of a student, the following is taken into account:

- level of higher education (coefficient 1 to 3) - I. – III. level,
- field of study (coefficient 1 to 6.99) - they are divided into 20 groups of funding,
- the qualification structure coefficient of HEI (coefficient 1.309 to 1.529) - it reflects the qualification of pedagogical staff of a higher education institution (the number of pedagogues with a professor, associate professor and PhD academic title),
- graduate employment coefficient (0.8 to 1) - it reflects the registered unemployment rate among the graduates of a HEI by field of study,
- form of study (0.3 or 1) - part-time or full-time,
- priority coefficient (1 or 1.05) - it is applied to selected fields of study pursuant to the Government Manifesto.

In addition to the adjusted number of students, the adjusted number of graduates is also taken into consideration.

Allocation for *goods and services* takes into account primarily the adjusted number of students. As far as the funding of specific needs is concerned, account is taken of such departments that perform activities beyond the scope of a HEI (e.g. a supra-regional academic library, etc.).

Support of practical trainings is based on the needs of HEI. It only applies to selected practical trainings – pedagogical trainings, clinical trainings for students of medicine.

Support of information systems depends on the number of users. It involves key systems whose data are also used by the Ministry.

HEIs are not bound by the calculation performed by the Ministry; they can use the funds allocated for goods and services for remuneration, and vice-versa. It means that they can freely re-allocate the subsidy in line with their internal priorities. Only selected items are earmarked – such as PhD scholarships or financial subsidies for specific departments.

The funds to cover PhD scholarships are provided as necessary, but only for such a number of PhD positions as specified by the Ministry. If a higher education institution admits more PhD students, it finances them from other sources. Funds are also provided for specific

departments and expenditure of a HEI. They mainly include clinical trainings (students of medicine) or pedagogical trainings, as well as financing of selected departments at HEIs.

A subsidy for science and technology covers the funding of basic research projects under internal grant schemes of the Ministry and the remaining portion of the subsidy is based on the performance of a HEI assessed by the following indicators:

- scientific and research capacity (weight: 0.14),
- number of PhD students (weight: 0.14),
- number of PhD graduates (weight: 0.14),
- research funds from domestic grants (weight: 0.14),
- research funds from foreign grants (weight: 0.14),
- publication activity (weight: 0.27),
- artistic activity (weight: 0.03).

Scientific and research capacity is expressed by the number of creative employees of a HEI (higher education lecturers and scientific staff). From 2010, individual indicators will be multiplied by a coefficient (the proposal is that it would range from 1 to 1.2), based on a quality assessment of research activities of individual HEI performed by the Accreditation Commission.

A development subsidy is based on the funding of projects presented by a HEI, which have passed a selection procedure. In 2009, the funding was primarily provided to projects whose outputs may be utilised by several HEIs (introduction of e-applications, implementation of electronic signatures, financial information system for HEIs, etc.). With respect to the 2010 budget, individual projects of HEIs are unlikely to be financed in 2010, or only in a minimum scope, if at all.

A subsidy for social assistance to students takes into account mainly the amount of funds needed for social scholarships, students' accommodation and meal contributions in the previous year.

3. Governance and regulatory framework

Legal framework

The higher education system, including its funding, is primarily governed by Act No. 131/2002 Coll. on higher education institutions and its later amendments, and applicable implementing regulations.

HEIs are legal persons. **Public and state HEIs** are established by law; **private HEIs** are legal persons whose operation is subject to approval by the Slovak government for them to operate

as a private HEI, and are founded for the purpose of performing educational and research activities. Prior to government's decision, an application for accreditation is examined by the Accreditation Commission, in particular whether the HEI meets the requirements for accreditation of proposed study programmes. A HEI is fully competent to establish its departments and determine its organisational structure. The Accreditation Commission provides opinions on changes with respect to faculties at a HEI.

A statutory body of a **public HEI** is its rector, elected and dismissed by the academic senate of the institution. In the case of a **private HEI**, its rector is a representative of the academic community of the respective institution and should also be acknowledged by its Administrative Board (Board of Trustees).

Admission procedure

HEIs provide study programmes in compliance with the ECTS system. A decision on the admission of students to individual study programmes is taken solely by HEIs. The law only specifies the minimum requirement for admission, which is the completion of secondary education. The admission procedure (estimated number of admitted students, the minimum score for admission, evaluation of previous study results, etc.) is fully administered by the respective HEI. The only requirement prescribed by the law is that a HEI chooses such a selection procedure that will ensure the admission of those applicants who have the best qualifications for participation in a given study programme.

In the case of second-level study programmes, the basic admission criterion is the completion of a first-level higher education programme. In the case of third-level study programmes, the basic admission criterion is the completion of a second-level higher education programme. With respect to certain medical study programmes that prepare graduates for regulated medical professions, previous training in a selected field of study and/or practical experience is required.

Study programmes

HEIs may only provide accredited study programmes. Accreditation is granted by the Education Minister based on an opinion provided by the Accreditation Commission. Organisation of study programmes falls under the autonomous competence of a HEI. As far as the content is concerned, graduates of a given study programme should gain knowledge, skills and capacities required under the study programme description within the necessary scope (depending on the field of study, this applies to one third, and more, of the content; e.g. in the case of training programmes for regulated professions, the content of the study programme is prescribed more rigidly than for other fields of study).

Reporting and evaluation

HEIs prepare and publish annual reports on their activities. Public HEIs also prepare annual reports on their financial performance. The Ministry of Education of the Slovak Republic prepares annual reports on the situation in the higher education system.

HEIs are subject to a six-year comprehensive accreditation cycle concerning their activities; the accreditation cycle is a process in which the Accreditation Commission evaluates to what extent a particular HEI fulfils its mission, reviews its capacities for the provision of accredited activities, assesses the quality of its research, artistic and other creative activities, and formulates recommendations for its further activities.

Key tasks performed by individual institutions

The government of the Slovak Republic, in particular:

- appoints and dismisses, upon the Education Minister's proposal, a chairman, deputy chairman and other members of the Accreditation Commission;
- approves, upon the Ministry's proposal, the statutes of the Accreditation Commission;
- grants and revokes, upon the Ministry's proposal, a state approval of the operation of a private HEI;
- approves, upon the Ministry's proposal (based on an opinion of the Accreditation Commission), a change in the official name of a private HEI and its categorisation as a university or professional HEI;
- approves a proposal to provide subsidies to a private HEI.

The Ministry of Education, in particular:

- creates conditions for the development of HEI and the higher education system; bears responsibility for updating and development of legislation on the higher education system;
- prepares, annually updates and publishes a long-term vision of educational, research, development, artistic and other creative activities of the higher education system;
- prepares and publishes, each year, an annual report on the situation in the higher education system;
- prepares and updates the methodology for the allocation of state budget subsidies from the Ministry's budgetary chapter granted to HEIs and, using this methodology, allocates the subsidies, with prior comments presented by representative bodies of HEIs;
- following prior comments by representative bodies of HEIs, makes decisions, in justified cases, on limiting a year-on-year increase in the number of full-time students

for which funds will be provided to individual HEIs; the limit expressed as a percentage of a total number of full-time students at the respective HEI cannot be less than 5%;

- examines the financial management of public HEIs; examines the use of state budget funds provided to private HEIs;
- recognises diplomas and education certificates awarded by foreign HEIs or other bodies authorised to do so in selected cases;
- ensures material and financial aspects of the operation of the Accreditation Commission and representative bodies of HEIs;
- grants authorisations for the operation of foreign HEIs.

The Minister of Education, in particular:

- submits, upon proposals by HEIs, proposals to the president of the republic to appoint professors and appoint and dismiss rectors;
- submits proposals to the government, following prior consultations with representative bodies of HEIs, to appoint and recall members of the Accreditation Commission;
- within 60 days from the submission of an opinion by the Accreditation Commission, decides on the award of a right to a HEI to grant a respective academic degree to study programme graduates; on the award of a right to a HEI to conduct a habilitation procedure and professor appointment procedure; and on the award of a right to a non-HEI to participate in the provision of PhD studies, with consent of the respective minister in the case of state HEIs;
- submits proposals and measures to representative bodies of HEIs (e.g. a proposal to restrict powers of autonomous bodies of HEIs, revocation of a state approval of the operation of a private HEI, etc.).

In the case of state HEIs, a portion of the competences of the Ministry of Education are entrusted with the relevant ministries.

The Accreditation Commission is an advisory body to the Slovak government, consisting of 21 members. Its members are appointed by the government in consultation with representative bodies of HEIs. The Accreditation Commission monitors, reviews and provides independent quality assessment of educational, research, development, artistic and other creative activities performed by HEIs and facilitates their improvement. It also examines the conditions, in a comprehensive manner, under which individual HEIs perform these activities, and prepares recommendations for improvement in the work of HEIs.

4. System's strengths and weaknesses

The level of autonomy of HEIs and their decision-making may be deemed the strength of the system. At the same time, it is also its weakness, particularly if the institution is headed by a rector who is unable to make good enough use of this advantage.

Key problem of the system is false motivations it produces. On the one hand, the system requires that a professor position is occupied by a renowned higher education lecturer with demonstrated, recognised research achievements. At the same time, the fulfilment of the criteria for the award of the professor title is assessed by a Scientific Board of a HEI whose existence may depend on whether it has a professor in a given field of study; this may be required, for example, in order to have a guarantor for the particular study programme, as well as it may affect its financing, since a better qualification structure of lecturers makes for a higher coefficient. The Accreditation Commission serves as a regulatory mechanism in this respect; it examines the conditions under which habilitation procedures and professor appointment procedures are conducted, but only after the procedure is completed.

Similarly, a HEI is motivated to have the largest possible number of students, as it is reflected in the funding provided to it, as well as in the number of graduates. A management board of a HEI must then solve the dilemma of how to ensure sufficient performance of educational activities while maintaining the quality of education provided to the graduates. This may be a problem from a medium and long-term aspect, when a possible increase in the number of unemployable graduates could result in a lack of interest among applicants in studying at that particular institution.

The system encourages publication activities of HEIs, irrespective of the actual quality of a scientific work or regardless of whether a publication has any benefit for scientific advancement in a given field of study.

Further discussions should focus on the system of internal administration, the scope of rights guaranteed under the law to individual organisational units of HEIs, and the review of responsibilities and powers within the institution. As far as quality assurance is concerned, internal education quality assurance systems should be developed and linked to the existing external system.

Another weakness of the system is the non-existence of standards and recommendations for individual parts of the system, which could make up “unwritten” rules of the system.

During 2005-2007, the Slovak tertiary education system underwent an examination by the European University Association. Based on the examination, a Sectoral Report was prepared. It identified several other strategic challenges that the tertiary education system faces. More information can be found on http://www.srk.sk/files/EUA-Sectoral-Report_file_173.pdf.

Explanatory factors for efficiency

1. Staff Policy

1.1. Hiring/Firing

HEIs are fully autonomous in concluding, terminating and amending employment contracts. The same holds true with respect to determining the number and structure of jobs. The duration of contracts is restricted by law in some cases only. For example, the post of a professor can only be held by a higher education lecturer for a period of five years based on one selection procedure; if a lecturer wins three selection procedures for the post of a professor at the same HEI and has a professor title, the contract can be concluded to last until he/she attains 65 years of age. If a lecturer attains 65 years, further contract can be concluded for a period of one year, but repeatedly. At the same time, qualification requirements the applicants must meet in order to get an employment contract are stipulated by law. The law also defines the scope of work to be performed by higher education lecturers.

1.2. Wages

Employees of **public and state HEIs** are paid in accordance with the Act on remuneration of employees performing work in the public interest. This Act governs wage tariffs and levels, as well as bonuses and remuneration method. Remuneration in **private HEIs** is provided solely on a contractual basis.

2. Output flexibility

2.1. Course content and exams

The organisation, chosen method and content of a study programme fall under the competence of the HEI and its Scientific Board. HEIs may only provide accredited study programmes. Accreditation is granted by the Education Minister based on an opinion provided by the Accreditation Commission. An Accreditation Commission opinion takes also into consideration the content of the study programme, its personnel, material and technical capacities, as well as selected methods of study. Since the graduates of a given study programme receive education in a specific field of study, account is taken of the extent to which the study programme complies with the description of the respective field of study. Minimum content requirements for individual fields of study differ. In particular, the autonomy of a HEI to freely decide on the content of study programmes is restricted in the case of such study programmes as nursing or general medicine.

2.2. Offer of short studies and other diversifies studies

Slovakia has a three-level higher education system. Bachelor's degree programmes are usually three year long, the follow-up second-level study programmes usually last for another two years.

2.3. Student choice

Applicants file an application for a concrete study programme with a HEI. The study programme in which a student enrolls prescribes the requirements the student must meet, such as compulsory courses, compulsory optional courses and elective courses, expressed in credits the student has to gain. For each study programme, a recommended plan of study exists to ensure that students complete the study programme within its normal duration. Students are not bound by the recommended plan of study; they are allowed to choose courses at their own discretion. In such a case, the students are only limited by the existing capacities of the HEI; in some cases, students are required to complete certain courses before they can take up the course of their choice. Moreover, there is no guarantee that the courses on their schedule will not collide. Under the law, students are permitted to take some courses at a different HEI. This again depends on the nature of the study programme. For example, general medicine study programmes, or inter-disciplinary study programmes, include a higher number of compulsory courses; i.e. students do not have such a wide choice as in the case of other study programmes. Students usually choose and enrol for study courses they wish to take at the beginning of an academic year.

As far as the admission procedure for a study programme is concerned, no special treatment is permitted by law: all applicants for a particular study programme have to undergo the same procedure. At the same time, the law does not prohibit employed individuals, or individuals who cannot study as full-time students due to other reasons, from applying. In that case, it is up to the HEI to decide on how it will provide the study programme – what training methods it will apply. Also, there is no separate higher education system for students with professional background; following an agreement with HEI, such students may take individual courses as part of a further education system, which does not improve their qualification. Students in Slovakia are categorised by the form of a study programme; part-time study programmes do not require the students to take part in educational activities on a daily basis, their education is primarily organised as a self-study programme. Full-time to part-time students' ratio is approximately 2:1. Part-time study programmes are not permitted in certain fields of study.

The criterion for admission to a HEI is completed secondary education. The condition for admission to a higher level study programme is the completion a lower-level study programme. The law does not permit any exceptions. There is no age limit for admission to a HEI. Even people over 25 can be admitted. If they have not completed secondary education they must complete it prior to applying for a HEI. Whether a student has already completed

another higher education programme is not a decisive factor for his/her admission to another study programme.

Students obtain their specialisation through optional and elective courses offered by the higher HEI. A HEI may admit students who have already completed a part of their studies at a different HEI, and recognise their study achievements accomplished at that institution as a substitute for compulsory or compulsory optional courses if they relate to their study programme; otherwise they may only be recognised as elective courses. Apart from a higher education study programme, no other type of studies can be recognised as a substitute for, or part of, a higher education programme.

2.4. Numerus clausus

There are no academic fields into which entry is restricted or rationed by national/regional regulations.

HEIs are autonomous in determining the number of admitted applicants. However, more students do not automatically result in more funds for a HEI. Funds, which are also allocated pursuant to the number of students, are distributed among HEIs on a pro rata basis. It means that if the share of a HEI in the overall performance of all HEIs remains unchanged, it will receive relatively the same portion of funds as in the previous year, while there is no guarantee that the amount of funds per student will stay at least at the same level as in the previous year. On that account, the system is unpredictable for HEIs, because no unit prices per item are specified (per student, publication, amount of funds gained through grants) but they are only expressed in relative figures.

With the weight of the performance derived from the number of students having decreased over the past 3 years, the gains per student could have dropped, which was also the goal of the recent amendments made – to decrease the impact of the number of students indicator on the funding. The impact of research indicators has strengthened to the detriment of the above indicator.

2.5. Regional/ European/ global mobility

The students enrolled into tertiary education institutions outside their region of upper secondary graduation/ the students enrolled with upper secondary education obtained in another EU Member State/outside of the EU are not monitored.

It is necessary to distinguish between full-time and part-time students. Whether students stay with their parents depends on the place of their study and their parent's place of residence, limited accommodation capacities in dormitories, as well as the age of a student. Higher

education students under 25 years of age are basically considered dependent children whose living costs are primarily covered by their parents.

A change of the study programme was permitted by law only within the respective HEI and the field of study. This relates, for example, to the possibility to change the form of study. In the past, students could only move to another HEI after they passed a new admission procedure. The situation changed from 1 January 2010 and students are now allowed to finish their studies at a different HEI. Details are specified by each HEI in its academic rules.

A majority of study programmes are conducted in the Slovak language, which limits the possibilities for foreign nationals to study in Slovakia. Education obtained abroad, which is essential to the admission to a HEI, is subject to academic recognition. When applying for a Bachelor's study programme, a secondary school-leaving exam is subject to academic recognition; the fee is set by the Act on Administrative Fees and it is less than 7 EUR. With respect to academic recognition of a higher education diploma/certificate, the fee is determined by individual HEIs. A recognition period is 30 days but may be extended in complicated cases.

Equally, in the case of teachers and researchers, their qualification to perform a regulated profession is also subject to academic recognition. The statutory period is set to 60 days in this case, and the fee is approximately 100 EUR. A recognition procedure is conducted pursuant to an applicable European directive.

Student mobility is encouraged by the ECTS. The extent of the academic recognition is agreed between a HEI and a student.

3. Evaluation

3.1. Institutional evaluation

The quality of activities performed by a HEI, including its research activities, is evaluated by the institution's Scientific Board at least once a year. Generally binding regulations do not address this issue in detail; HEIs have autonomy in this respect.

External evaluation of HEIs is performed by the Accreditation Commission which examines, at regular intervals, the results of their creative activities, including research. Some of the Accreditation Commission members are active internationally.

Higher education students have a statutory right to express their opinions on the quality of education and lecturers in the form of an anonymous questionnaire at least once a year. Organisation of this monitoring activity is fully within the competence of a HEI. The Ministry, employees or pedagogues do not evaluate HEIs.

Evaluations prepared by the Accreditation Commission, as well as its recommendations, are publicly available.

The evaluation mechanism is incomplete. HEIs are autonomous to decide which of the Accreditation Commission recommendations they will incorporate in their activities and what they will make of the results of a student survey. Student survey results are provided to the Accreditation Commission. One of the options is that the implementation of recommendations is taken into consideration when awarding a development subsidy to a HEI. Such a link does not exist at the moment, since the Accreditation Commission only finished the evaluation of individual HEIs in 2009. Solely in case that a HEI stops meeting the accreditation criteria for a study programme, it is required to take corrective actions within a period of one year; their results are again reviewed once a report has been delivered.

4. Funding rules

4.1. Public funding

Public HEIs are funded through a subsidy for the provision of accredited study programmes. Institutional research support is largely financed through a subsidy for science and technology. Additional funds for research activities can be obtained from grant schemes.

Private HEIs are not financed from public funds, even though such a possibility exists under the law. A subsidy is granted based on an application filed by a private HEI. A subsidy to be provided to a private HEI is subject to comments by the representative bodies of HEIs and requires an approval by the government. Private HEIs apply for subsidies very rarely; from 2002 until the present, a subsidy for the provision of accredited study programmes was granted to a private HEI in one case only. A subsidy for social assistance to students is provided to private HEIs on a yearly basis in order for them to provide social and incentive scholarships. Private HEIs may apply for grants as research organisations.

State HEIs are funded through subsidies from the respective ministries (Ministry of Interior, Ministry of Defence and Ministry of Health).

How is research funding determined?

Research funding is divided into purpose-specific and institutional:

- The **purpose-specific funding** is mainly provided through calls made by the Slovak Research and Development Agency. HEIs may also apply for financial grants from other agencies or obtain funds from research activities performed for the private sector.

- As far as **institutional support** is concerned, a portion of funds is provided under the Ministry's internal grant schemes, while the remaining portion is financed on the basis of the formula whose components were discussed in the section on the funding of HEIs. In addition, several calls were made under the Research and Development Operational Programme for the 2007-2013 programming period (financed by the EU budget) for project proposals for the development of higher education research infrastructure.

Institutional support is usually not granted to private HEIs.

4.2. Impact of quality assessments on funding

At present, the quality of education is not separately assessed or measured, or evaluated in a manner allowing to award ratings to the individual HEIs or otherwise rate the quality of any particular institution. It is assumed that more qualified pedagogical staff provides higher-quality education, thus receiving more funds.

The process concerning the comprehensive accreditation of the HEIs' activities, which also involves an assessment of the outputs of HEIs' creative activities, the environment where such activities are undertaken and feedback to such activities, is coming to an end. As of 2010 the general idea has been that the ratings awarded to the individual HEIs in this area will be taken into account in the institutional funding of research. This issue is currently under discussion.

4.3. Private funding

4.3.1. Tuition fees and/or households

The government pledged under its Manifesto to ensure that full-time study programmes are provided free of charge.

Thus, in **public HEIs**, tuition fees are not the decisive source of funding. The tuition fee started to be widely used in as late as 2008, giving little time to assess its role. The applicable principle is that tuition-paying students are not included in the performance of a HEI. This means that tuition, rather than being an additional source of funding for public HEIs, replaces state budget subsidies. In some cases, such as general medicine students, the maximum permitted tuition (as limited by applicable law) is lower than per-student subsidy provided by the state.

In principle, higher education study at public HEIs is free of charge in the Slovak Republic. The tuition fee only applies to those students whose length of study exceeds standard duration

and to students attending certain part-time study programmes. The decision concerning the tuition fee for any particular part-time study programme rests with the HEI.

Each year, the government approves the amount of funds to cover the costs of free-of-charge study programmes provided to part-time students for the particular academic year; the calculation is based on the amount from the previous year. HEIs must first use the allocated amount to ensure that part-time study programmes are also provided free of charge; only then they may prescribe fees for other part-time study programmes. One of the drawbacks of this mechanism is that the limit is also specified for a HEI which does not plan to provide any part-time study programmes. Furthermore, the limits are specified in advance, with HEIs only estimating the numbers of applicants to be admitted but no one knows how many applicants will actually enrol for the programme. For example, the government specifies the limits for the 2011/2012 academic year by June 2010, HEIs must determine free-of-charge study programmes for the respective year by the end of October 2010, but they will only know the actual number of students as late as in September 2011. If a HEI admits more students than permitted by the limit, it does so at its own expense, basically. This mechanism does not apply to state and private HEIs.

Study-related fees and charges (admission fees, student's ID issuance fee, etc.) cover the costs of these activities and do not represent a crucial part of income of the institution.

For a majority of **private HEIs**, the tuition fees and charges represent the main source of income.

4.3.2. Business, other

The amount earned from business activities differs among individual HEIs. Differences also exist with respect to the extent to which HEIs utilise these possibilities, either in the form of revenues from the provision of further education, conducting practical research, etc. HEIs have numerous possibilities in this area and no changes are contemplated. The issue of encouraging HEIs to further step up their efforts towards a more active use of these instruments in order to obtain funds should also be addressed.

HEIs cooperate with the industrial sector based on a mutual agreement. The level of cooperation differs among individual institutions, which also affects the amount of revenues made by HEIs on research activities whose results are utilised by the industry. Structural Funds and the Slovak Research and Development Agency provided support to the development of higher education research infrastructure to enable commercialisation of research outputs and applied research. At the same time, support is provided for the establishment of special facilities at HEIs, so-called incubators, which focus on establishing new business entities that will build on R&D outputs generated by HEIs.

The main source of funding of public HEIs are subsidies from the state budget, their own business activities, tuition and other study-related fees; some institutions run their own non-investment funds.

4.3.3. Grants/loans

Financial support for students consists of several components:

- **subsidies for meals and accommodation in dormitories** are provided from the Ministry of Education's budgetary chapter (through HEIs);
- HEIs receive funds for **social scholarships**; these scholarships are granted based on the income of a student and persons assessed along with that student;
- as part of a social assistance subsidy, HEIs are provided funds for **incentive scholarships** that may be granted to best-performing students, as well as a subsidy for sport, cultural or pastoral activities of students;
- students may apply for a **loan from a non-governmental special purpose fund**. The Student Loan Fund provides loans to first-time higher education students. Interest on the principal starts accruing after the completion of the studies; the annual interest rate is 3%. The maximum annual loan is 1,327 EUR. A loan guarantor is necessary. The maximum repayment period is ten years from the conclusion of a loan agreement. The period of study is not included in the repayment period. The repayment period does not include the following: a period of time following the completion of a bachelor's degree study programme if the debtor continues in a master's or engineer's degree study programme in the following academic year; the performance of pastoral activities by students of theological faculties until their consecration; the period of a compulsory military service or civilian service; the period of maternity leave, if the debtor commences her maternity leave within five years from the completion of studies; the period of another maternity leave if the debtor receives, at that time, a parental allowance within five years from the completion of studies.

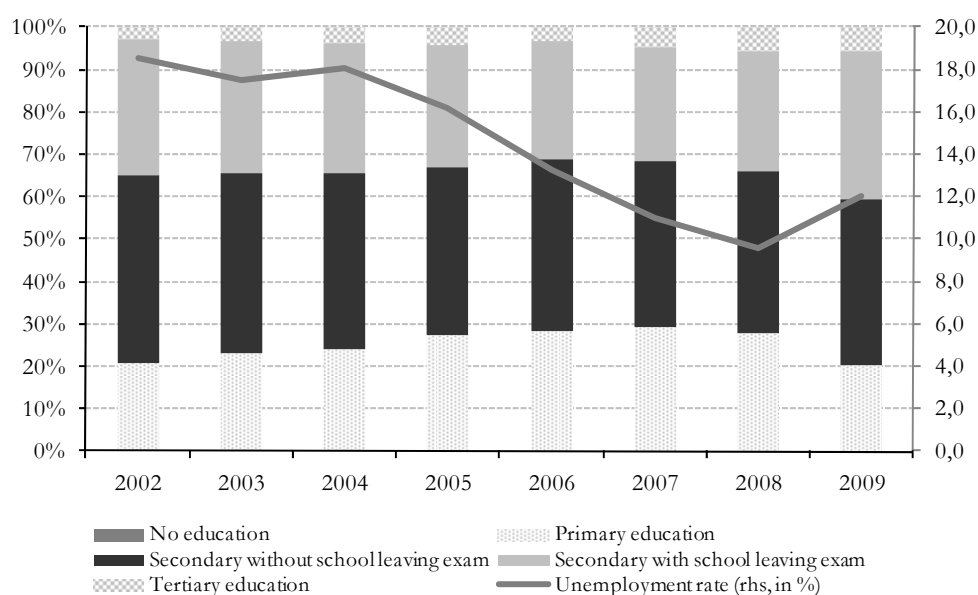
5. Impact on Employability

Unemployment rates - attained education (in %)								
	2002	2003	2004	2005	2006	2007	2008	2009
No education	n/a	n/a	n/a	n/a	100.0	100.0	75.0	50.0
Primary education	45.6	47.6	51.1	53.1	48.0	44.6	39.3	41.6
Secondary without school leaving exam	20.6	19.5	20.4	18.3	15.2	12.2	10.6	13.8
Secondary with school leaving exam*	14.6	13.0	13.1	10.9	8.7	6.8	6.2	9.6
Tertiary education	4.6	4.8	5.5	4.8	3.2	3.8	3.5	4.2
Unemployment rate (whole economy)	18.5	17.5	18.1	16.2	13.3	11.0	9.6	12.1

Note: *School leaving examination is a prerequisite for application to a HEI

Source: Statistical Office of the Slovak Republic

Decomposition of total unemployment according to attained education



Source: Statistical Office of Slovak Republic

Several study programmes involve practical trainings/internships. Apart from pedagogical and clinical trainings, these are not monitored or funded separately.

All HEIs provide information and advice to applicants, students and other persons on their study programmes and employment possibilities for their graduates. The scope and quality of these activities is currently not monitored; no special funds are provided, either.

6. Recent and planned reforms of the tertiary education system

6.1. Description of recent reforms

Main changes that occurred during this period include creating conditions for closer cooperation between HEIs and businesses, as well as support to the transfer of higher education research results into practice. This primarily concerns conditions for the establishment of incubators. By the same token, the development of higher education research infrastructure is financed from Structural Funds, since research activities of HEIs are considered crucial.

The results of a comprehensive accreditation assessment of activities performed by HEIs should serve as the basis for their formal differentiation, in particular with respect to their achievement in research; discussion on how to reflect this factor in the allocation of state budget subsidies is underway.

As far as the calculation of subsidies is concerned, the weight of the 'number of students' indicator decreased. Discussion on the importance of the number of students for the funding of the education system continues.

6.2. Planned reforms (or reference to ongoing policy debate)

No crucial changes in the system of funding are contemplated at the moment. Discussions focus rather on fine-tuning the existing instruments in order to better reflect some facts. The mechanism for comparing the costs related to the provision of study programmes in individual fields of study remains an outstanding issue. The current state of play, when HEIs have a variety of options to earn additional funds through their own activities and are autonomous in deciding on the use of funds provided from the state budget, is not subject to a discussion.

Another issue that will be given attention in the following period is the stability and predictability of the system from the perspective of HEIs. At the moment, HEIs cannot reliably count on state budget subsidies for several years in advance.