Podgorica, 13 December 2012

GOVERNMENT of MONTENEGRO Cabinet of the President of the Government n/r Milo Đukanović, Prime Minister

cc:

- Slavoljub Stijepović, Minister of education
- Radoje Žugić, Minister of finance

Subject : Proposal to increase the budget of the University of Montenegro

Dear Mr. ĐUKANOVIĆ,

We are addressing you regarding our proposal, in accordance with your responsibilities, to influence the improvement of the financial situation of the University of Montenegro (UoM), in particular taking into consideration the early adoption of the 2013 Budget, which could result in an increased allocation of funds to the University of Montenegro.

The Centre for Civic Education (CCE) would like to draw attention to the fact that the financial situation of the University of Montenegro is extremely concerning and this is partly reflected into the decision of the Administration Board to stop new recruitment and selection (for professors and assistants), to suspend funding of new scientific researches and to avoid paying of the remaining salaries to teachers, accompanied by announcements regarding dismissal of the administration. Moreover, several university units still have deficiencies related to inadequate technical conditions of work, often an insufficient number of academic staff and still an inadequate number of experts with unquestionable references. Therefore, as the solely state university, the University of Montenegro needs a strong support in order for the oldest academic institution in Montenegro to get respect, restore credibility and face the challenge of fighting corruption and other illegal activities in its own premises.

I would like to remind you that the CCE has warned for years competent bodies and the public of the inadequate expenditure by the University of Montenegro and its faculties, on the poor-quality organisational and personnel policy, which, among others, has resulted into a discrepancy between faculties of Social Science and faculties of Natural Science and has brought the University to a loss ratio of more than $\in 10$ million. We are aware that such a high debt and a decrease in the budget would cause an inevitable economic collapse and the closure of some

faculty units. This would produce far-reaching consequences, both to the students and the employees of the University of Montenegro, but also to the overall development of our society.

The State itself appears to have an unusual attitute towards the University of Montenegro, which is reflected into unadequate resources that are allocated to it, while, at the same time, an amount of around €200.000 is financed to students of public universities for the same departments that are already established on the state University - which is a bad practice.

CCE believes that a decrease in the budget of the University of Montenegro would be only in favour of public universities, at the expenses of the collapse of the state one. This is unacceptable, especially if we bear in mind that You are the owner of one of the public universities in Montenegro. With all due respect to private initiatives, in accordance with the policies advocated by key figures in that University and in other private-owned educational institutions, it would be fair to leave to the free market to decide whether and to which extent these institutions should operate and not to finance this private business with taxpayers' money.

Moreover, the Government has decreased the budget to the University of Montenegro on the basis that faculties can get substantial revenues for their daily functioning from tuitions and related fees. It is, therefore, strange that this principle doesn't apply to private-owned universities and that the Government didn't make any efforts to determine that only few of the faculties in the University of Montenegro have high tuition fees and these are mainly faculties of Social Science (Faculty of Law and Faculty of Economics), which have an important number of self-financed students and therefore millions of incomes. On the other hand, some other institutions like Natural Science and Arts are in serious trouble and they solely depend on the state budget as financing. Budget cuts would open the question of how these faculties could survive. This could have strong and far-reaching consequences for the Montenegrin society.

CCE urges the Government to adopt a resolution to increase the budget allocated to the University of Montenegr; the process of distributing and allocating funds must be legally controlled, as this hasn't been the case so far.

Best regards,

Daliborka Uljarević, Executive Director