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## **SUMMARY**

### **Summary of Report 8/2015, Aggregate data for Catalonia's public universities, years 2012 and 2013**

*Barcelona, 25 June 2015*

The Public Audit Office for Catalonia has issued report 8/2015, with aggregate data for Catalonia's public universities, for financial years 2012 and 2013, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Mr Jordi Pons i Novell, was approved by the Audit Office Board at the meeting held on 5 and 6 May 2015.

This report gives aggregate data for Catalonia's public universities for the financial years of 2012 and 2013. It has been drawn up with financial information submitted by the universities and statistical information provided by the government's Secretariat for Universities and Research.

The report is divided into three parts: The first two parts refer to the seven universities providing on-campus courses. The third presents information on Catalonia's Open University, the UOC (*Universitat Oberta de Catalunya*). Because the UOC is a distance-learning university and has the legal status of a foundation its data are not comparable with those of the other universities.

The consolidated Catalan Public Finance Act states that public universities should submit their January-December financial accounts by 30 April of the following year. However, university accounts for years 2012 and 2013 were received by the Public Audit Office after this deadline, except for those of the Rovira i Virgili University (URV). The Board of Trustees (*Patronat*) of the Catalan Open University Foundation (FUOC) also approved its annual accounts for years 2012 and 2013 after the legally established deadline, which is six months after the end of the financial year.

As regards the information submitted, the annual accounts of some universities do not include all the information or financial statements as stipulated by the General Public Accounting Plan (PGCP) for Catalan public universities.

In the Conclusions section of the report there is a summary of the most significant aspects seen in the work carried out, of which the following can be highlighted:

#### **General variables**

In the 2012-2013 academic year there were 150,397 students enrolled at the public universities offering on-campus courses. In the same academic year 40,293 students, enrolled

for the first time and 29,296 graduated. There were 15,295 lecturers, as at 31 December 2013 (the equivalent of 11,067 full-time lecturers) and 8,481 members of staff in administration and services.

Analysis of the figures for students enrolled and new students shows some disciplines with a very small number of students and some courses being run by several universities when, in certain cases, individual courses have extremely low student numbers.

Five years after starting their university studies, approximately 41% of students have graduated, 20% are still on the same course and 39% have neither graduated nor continued on that particular course of study.

In the 2012-2013 academic year the UOC had 43,248 students enrolled on courses (the equivalent of 21,774 full-time students), there were 10,878 enrolments and 4,816 graduations. In this same academic year the UOC had 260 in-house lecturers and 3,406 participating lecturers. It also had 471 administrative staff members.

### **Financial aspects**

Realised revenues at the seven public universities offering on-campus tuition totalled €1,372.41m in the 2012 financial year, and €1,338.02m in 2013. Recognised liabilities were for a total of €1,433.30m in 2012 and €1,398.56m in 2013.

Grants received from the Catalan Government and from other government sources are the universities' main source of funding for teaching and research activities. Revenues from transfers and grants (for current and capital expenditure) represent 66.87% of realised income in 2012 and 65.94% in 2013.

Personnel expenditure accounted for 61.06% of all expenditure incurred in 2012 and 62.86% in 2013. If only current expenditure is taken into account, personnel costs represented 74.15% in 2012 and 74.21% in 2013.

Year 2013 was the last year of implementation of the University Investment Plan (PIU) for 2007-2013. The initial sum of €635.00m was modified by various Cabinet agreements, the last of which, on 30 December 2014, established a final amount of €423.60m. The reduction in the overall amount has been unevenly distributed between universities.

As at 31 December 2013 four universities had negative budget outturns for general expenditure (deficits requiring financing) totalling €225.11m. The other three universities had net budget surpluses for general expenditure totalling €16.70m.

Aggregate debt as at 31 December 2012 and 2013 was €266.40m and €247.68m, respectively. This mainly corresponded to refundable advances from central government to finance science and technology parks. The deficits being run by some universities could seriously compromise their capacity to generate the resources needed to return loans received.

The FUOC received €29.23m in grants to fund its activities in 2012, and €22.23m to fund them in 2013. It also received grants of €5.50m in 2012 and €4.55m in 2013 for capital expenditure. Revenues from enrolment fees were €59.76m in 2012 and €56.25m in 2013. As at 31 December 2012 and 2013 the FUOC had negative net working capital (current assets minus current liabilities) of minus €94,984 and minus €11.34m respectively.

### **Performance indicators**

Section 3.12 offers some indicators as a rough guide to the aggregate performance of Catalan public universities offering on-campus tuition. These have been calculated by the Audit Office using student data for the 2012-2013 academic year and monetary data for the January-December 2013 financial year. The figures provided by these indicators are an approximation of those which will be obtainable once an analytical accounting system common to all universities has been set up.

### **Recommendations**

In its report the Audit Office indicates a series of aspects which require special attention from the Catalan Government and the universities, of which the following can be highlighted:

- The need to continue measures being undertaken to rationalise the courses on offer.
- The importance of continuing work on establishing homogeneous accounting criteria and finishing development and implementation of a common analytical accounting system in order to obtain comparable figures and performance indicators for the different universities. Having a working analytical accounting module in place is an essential tool for obtaining course costs, and is fundamental for establishing tuition fees.
- The need to approve university personnel costs prior to the approval of each university's budget, and in the year preceding budgetary execution.
- The need for careful monitoring of budget stabilisation plans, promoting the necessary steps and measures to achieve them, updating them with new measures when this proves necessary and complying fully with current regulations applicable to universities in the area of budget stability.

<p>This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at <a href="http://www.sindicatura.cat">www.sindicatura.cat</a>.</p>
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