

Research on Policies of the Independent College

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Abstract Independent colleges, a new educational institution, have made outstanding contributions in the aspects of popularized higher education. It still remains some problems in their administration after more than a decade of development. The paper selects the literature study and the survey research. It proposes three stages in the development of independent colleges, from the different policy levels. We find the problems such as unfair competition, capital shortages, high management fees, low enrollment and weak teaching team exist in independent colleges through the analysis. It constructs models to solve the above problems. Therefore, this paper researches the following conclusions. Independent colleges urgently call for reform and innovation from policy levels to achieve sustainable development and the key to the major policy innovation is to optimize educational legislation, bank loans, fiscal, subsidies, tax relief, self-management, educational engineering and staffing level.

Key words Independent colleges; Problems; Policy proposals; Sustainable development

1 Introduction

Independent Colleges emerged along with popularization of higher education in China. As an experimental higher education, it emerged coupled with a new mechanism, a new model, which has been argued in our society for more than 10 years. During this period, its appellation was changed from Private Secondary School to Independent College. However, Owner's property also was changed from public to public and private mix, and then to private. So far, the number of independent colleges is 318 and the total number of students is nearly 200 and more than undergraduate students among independent college is 170 million, it accounts for 80% of the total number of students in private higher learning institutions.

Specifically, independent colleges developing have passed through three stages from the aspect of policy level (as shown in figure 1).

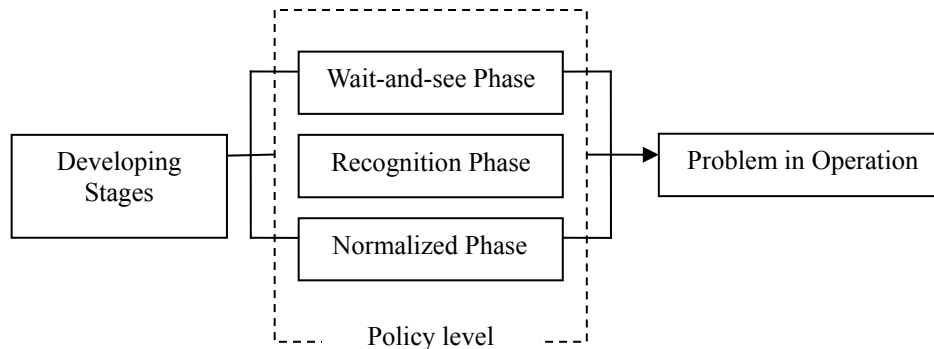


Figure 1 Stages of Independent College Developing

1.1 Wait-and-see phase (1998-2002)

During this period, Jiangsu and Zhejiang provinces took the lead to attract social forces, use bank loans to set up private secondary colleges as a pilot with an independent legal entity, independent accounting financially. Afterwards secondary colleges, a kind of special expansion form of higher education, have developed to the coastal cities and provinces. Secondary colleges solved the contradiction between supply and demand of higher education effectively, which determined the central leaders' basic judgment, that is, the mode of private secondary colleges has shown a lot of advantages. If well guided, it is likely to be a new approach to develop national higher education rapidly and effectively.

1.2 Recognition phase

In this period, the Ministry of Education issued Views on Standards of Enhancing Public Universities Trying to Use New Mechanisms and Modalities to Building and Managing Independent Colleges. The opinion named Independent College, and clearly defined a private mechanism for all the independent colleges, which should have a separate campus, basic teaching facilities, independent teaching organization and management, enrolling on their own, awarding diploma, carrying on financial accounting, a legal entity, and undertaking civil liability independently .

1.3 Normalized phase (2008—)

This phase was marked by the No.26 Decree on February 22, 2008, that is, Setup and Administration of Independent Colleges, which defined the independent colleges as the importance part of private higher education, the administrative responsibilities of the Ministry of Education and provincial education administrative departments, established standards and operational conditions of independent colleges, the intangible assets of universities included to the total investment, the requirements of property rights, internal management systems and institutional arrangements, students' rights, political parties and other organizations and the responsibility of maintaining security and stability. The introduction of the decree indicated that rapid expansion of Independent College ended, whereas the future orientation is to improve the quality of education.

From the development process of independent colleges, their existence has far-reaching significance. Firstly, it was the inevitable result of reform and opening up. Secondly, it solved the contradiction of supply and demand of higher education popularizing in China. Thirdly, it was good to create a competitive mechanism of higher education. Fourthly, it helped our country to make good use of private capital to established colleges.

2 Problems

Based on the problems existed in the running of independent colleges, the first issue was mainly discussed whether to support the development of independent colleges. The answer was yes. Before getting the support from the policy, we should focus on the problem at first (as shown in figure 2).

2.1 Unfairness in social environment

The competition was unfair in social environment. Government officials at all level especially for educational administration officials usually paid more attention to public universities. However, they treated private colleges as the solution to conquer the deficiency of higher education popularizing. Consequently, it led to split up educational resources. Besides, it brought so many barriers and limitations on information, teachers, students and cash flows in independent colleges.

2.2 Capital shortage and high educational cost

The capital has been supported by bank loans at early stage since independent colleges founded. Now is the peak of repayment while ministry of education issued Setup and Administration of Independent Colleges in addition so that the expansion was prohibited. In case the enrollment was declining, the total tuition would decrease to bring about repaying crisis. Therefore, the owner of the independent college didn't have enough funds to improve operating conditions up to higher educational standard in five years set by ministry of education.

2.3 High management fee and constrains

Due to the constraints, the implementation of No.26 Decree lacked of external support. For instance, how to guarantee both water supply and power supply? How to ensure the safety of school environment? In particular, how to urge the parent university to cancel the higher management fees paid by independent colleges, etc.

2.4 Low enrollment and educational resource wasted

High fees and low rate of reporting resulted in a waste of educational resources and also difficult adjustment. From the Chinese Evaluation Report of Private University in 2008, the tuition of independent colleges was about twice than that of public colleges. Further, the tuition fee reached to the highest at independent colleges in Guangdong. Because of high tuition fees beyond the ability of some families, some candidates can not apply for Independent Colleges; because of the current college entrance examination system and enrollment, the quality of student were not as good as public schools. Consequently, the rate of enrollment was decreasing and students who have enrolled were unstable. According to general measure, independent college enrollment was less than 85% in Guangdong. It caused that many colleges can't base on recruiting plan to arrange schoolhouse and teachers. If so, that

resulted in uncontrolled waste of educational resources.

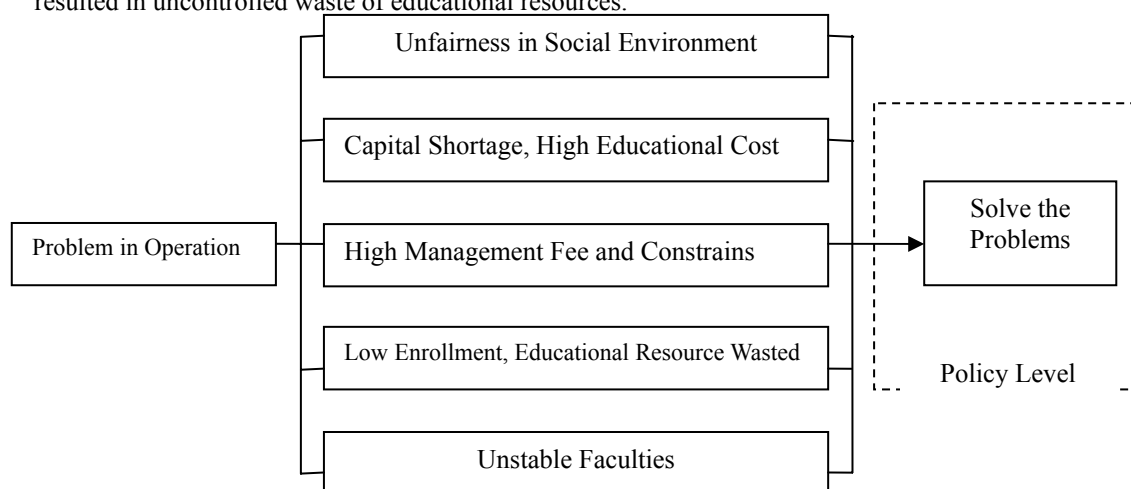


Figure 2 Problems in Operation of Independent colleges

2.5 Unstable faculties

Independent college indeiin faculties can't form the rational structure and research team. Faculties were made up of two groups in independent colleges, one was retired teachers from public colleges, and the other was graduate students who have got master degree to search for the first job. However, middle-aged faculties were few so that teacher structure was like a dumbbell and lacks of communication. Furthermore, most young faculties didn't see this position as their life-long career but a temporary springboard. Therefore, teaching team was unstable so that it was difficult to guarantee the teaching quality. In scientific research, young faculties, absent-minded, with heavy task in lecturing, weren't active to consider the research field and undertake the research project, while retired faculties were too old to be permitted to apply research projects. Such current situation in dependent colleges undermined the basic function of universities to the extreme.

3 Proposals on Sustainable Development of Independent Colleges

3.1 Education legislation policy

Improve educational legislation to create fair social competition and marketing competition. The core guiding ideology of Setup and Administration of Independent Colleges is to support actively, to standardize administration, to reform and innovate. Zhou Ji, the former minister of education, said the three principles like excellent, independence and non-governmental in independent colleges should be emphasized in new situation. Firstly, it is proposed from the legislative policy to broaden the levels of Independent Colleges in order to attract high-quality educational resources put into use of developing independent colleges (as shown in figure 3). Secondly, add the legislation on property preservation and capital appreciation in order to secure legal status and institutional independence of independent colleges. Thirdly, permit independent colleges to select different operating mechanism and management system corresponding with their private property. Fourthly, change the way of both college entrance examination system and enrollment and allow independent colleges enroll students in the same period of other public colleges. Finally, give fiscal subsidy to students' tuition fee in independent colleges in order to enjoy the fairness as the students in public colleges.

3.2 Bank loan policy

Expand bank loans to strengthen the foundation of development and improve the potential. Confronting with the repayment of independent colleges, banks should consider the current situation and permit extension and enlarged access policy like SEMs so that independent colleges insure sufficient capital investment to make construction at critical time. In this way, the facilities can reach to the requirement of ministry of education in order to get competitive advantage.

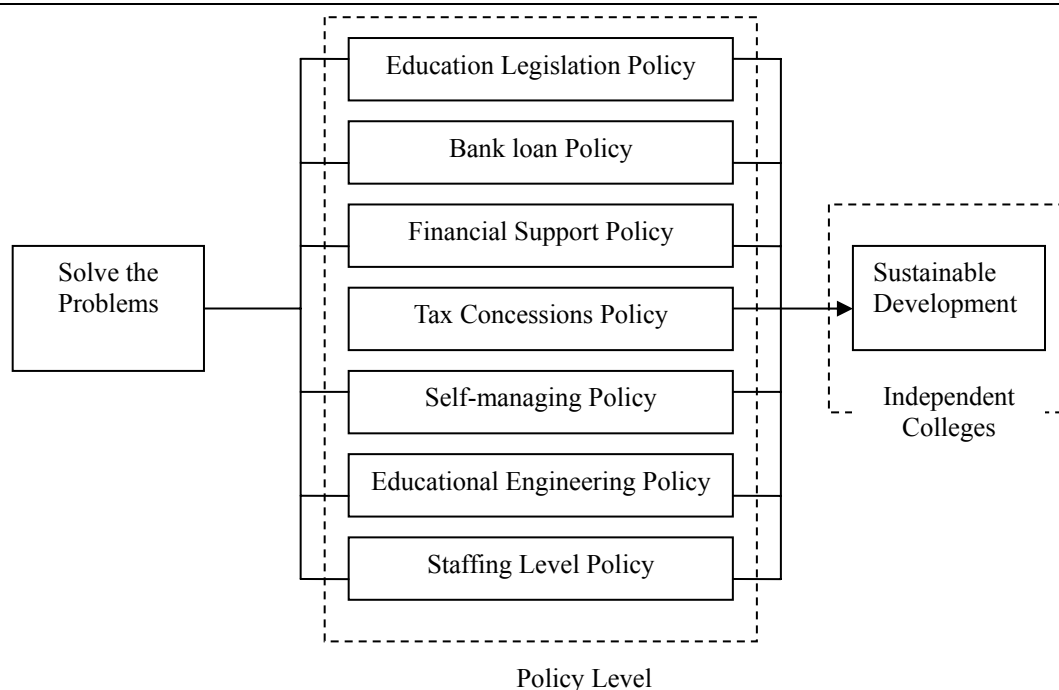


Figure 3 Proposals on Sustainable Development

3.3 Financial support policy

Establish various specialized fund by financial support policy. Independent colleges with the nature of educational business are the major platform to cultivate talents for the whole country. Yet, to build this platform need academic laboratory, the base of professional practice, various quality engineering as public colleges. Since the national financial have imposed taxes on the income of independent colleges, it is considered that part of taxes can be put into use of independent college developing. Therefore, the best way is to build the specialized fund which can be applied by both independent colleges and public colleges. On this account, it will give the strong support to independent colleges from fiscal policy.

3.4 Tax concessions policy

Relief taxes appropriately to support independent colleges serving the local economy and improving the strength of scientific research. Independent colleges are good institutions to serve regional economy. If the policy can relief the taxes of horizontal projects from independent colleges like public colleges. Consequently, it motivates the enthusiasm of faculties researching at independent colleges and also drives the development of local economy to some extent.

3.5 Self-managing policy

Permit their financial domination and define parent university can't collect high management fee from independent colleges. Setup and Administration of Independent Colleges has already pointed out that intangible assets must be put on the list of total school revenues. However, most universities still take charge of high management fee, 20% or 40% of total revenues. Therefore, fiscal policy should make clear that parent universities are obliged to collect the consultant fees based on intangible assets of independent colleges not the management fee to guarantee enough funds for their sustainable development.

3.6 Educational engineering policy

Establish the national education project for independent colleges. Public colleges was put into the engineering of national education project, such as 211 Project and 985 Project, which didn't take in independent colleges according to educational policy. It caused by the following reasons. First of all, independent colleges can't get government subsidies in the foreseeable period of time. Then tuitions are considerably higher than public universities, which lead to lose the advantages of students' enrollment. Further existing infrastructure, research condition and team building fall behind public universities. Moreover, the educational level of independent colleges is much lower than that of public universities. Summing up the reasons, educational engineering policy must be established as a separate project named Demonstration Projects of Independent Colleges, which will be extremely beneficial to entire

higher education and also help independent colleges to absorb high-quality educational resources.

3.7 Staffing level policy

Make staffing level policy to stabilize the teaching team in independent colleges. To achieve sustainable development, one of the greatest problems is unstable teaching team which is hard to guarantee teaching quality in independent colleges. Despite so many constrains, like social attitudes, employment awareness, barriers in job evaluation and work intensity affecting the stability of faculties, but the biggest constrain is worried about their retirement pay and college surviving issue. The staffing level policy is a good way to give them the same staffing level as faculties in public colleges so that they can get the equal treatment after their retirement. Besides, they can flow to other colleges so as to continue their teaching career if independent colleges bankrupt. In that case, it will form a stable teaching team in dependent colleges for a long time like public colleges.

4 Conclusions

Independent colleges solve the contradiction of popularizing higher education, but the policy reform has not kept up the pace with the development of independent colleges. The main problems have been shown as follows. Competition isn't unfair restricted by the social environment; educational costs are rising, coupled with the repayment leading to the shortage of school funds; high management fees and constrains are increasing; high tuitions and low enrollment result in a waste of educational resources; faculties can't form stable teaching research teams. The root of the above problem is that political system and policies can't meet the demand of independent colleges developing. Therefore, the policies are proposed to achieve the sustainable development of independent colleges. (1) Improve educational legislation to create fair social competition and marketing competition. (2) Expand bank loans to strengthen the foundation of development and improve the potential. (3) Establish various specialized fund by financial support policy. (4) Relief taxes appropriately to support independent colleges serving the local economy and improving the strength of scientific research. (5) Permit their financial domination and define parent university can't collect high management fee from independent colleges. (6) Establish the national education project for independent colleges. (7) Make staffing level policy to stabilize the teaching team in independent colleges.

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