

INDONESIA

MANAGING HIGHER EDUCATION FOR RELEVANCE AND EFFICIENCY

(I-MHERE)



Directorate General of Higher Education
Ministry of National Education

Guideline for Proposal
Submission

Improvement of Quality and Social
Responsibility

Batch IV

August, 2008

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1. Background

In 2005, the Directorate General of Higher Education launched a development project called “**Indonesia: Managing Higher Education for Relevance and Efficiency (I-MHERE)**”. The project is supported by the World Bank and has the development objective of,

to enhance managerial capacities and financing mechanisms within the Ministry of National Education and higher education institutions to improve the efficiency, relevance, quality and equity of Indonesian higher education.

This project consists of two components namely: (1) capacity building for the reform and oversight of the higher education system and (2) grants to improve academic quality and institutional performance. The second component consists of several grant windows and is intended to encourage and stimulate innovation in higher education institutions in improving their quality, relevance, efficiency and to be better responsive to the need of society.

Up to this time, the project has been implemented and grants have been awarded to 25 institutions. It was further identified that some amount of project fund are still unallocated. For this reason, the Directorate General of Higher Education is launching the fourth round of competition for the sub-component *Expansion of competitive grants to public and private HEIs*

2. Objectives

The primary objective of this grant window is to improve the capacity of higher education institutions to contribute to the *Nation's Competitiveness*, particularly to improve efficiency, quality, and relevance of its product and to promote its social responsibility. This grant window provides support to public as well as private higher education institutions to develop two programs, i.e. quality enhancement of study programs that are highly relevant to national and/or local priorities, and creation of needs-based outreach programs for supporting disadvantaged students. Both programs are mandatory to be proposed.

In the quality enhancement of study program, the institution shall firstly identify and select study programs to be developed and should also demonstrate their link to national and/or local priorities. The selected study programs should also be considered as the focus programs to be pursued by the institution in the future. The number of study programs to be proposed is at least 2 and must not exceed 3. The proposal should clearly describe the proposed development program to be implemented in three years at the institutions as well as at the study programs' levels.

The need-based outreach program should be developed as an institution-wide program with clear institutional arrangement for its implementation. This innovative needs-based outreach programs ought to be targeted at academically potential students from underprivileged and/or geographically marginalized communities. In the long run, the program is expected to alleviate the disparities of the quality of human resources among various socio-economic strata and in all part of Indonesia which in turn will prevent the national disintegration. The program could cover supporting activities for the targeted groups that are already enrolled as students as well as those that are still in high school.

In particular, the program is geared toward achieving the following objectives:

- Improved efficiency, quality and relevance of academic programs to meet the national as well as local needs
- Strengthened linkages between higher education institutions and their stakeholders
- Increased participation of disadvantaged groups

3. Eligibility and Size of Award

This grant window is available for all public and private institutions except BHMN and those already recipients of the I-MHERE Sub-Component B.1. Only one grant application may be made by an institution and the application must cover development of a minimum of two and a maximum of three study programs. In addition, private institutions must be prepared to enter an MOU which would allow BPKP (or similar government auditor) to audit the grant implementation if they were successful.

About 12 grants to a maximum of USD 1,600,000 each (excluding IMF/DRK contribution) will be provided from the project and Government funds. A recipient institution will be required to contribute an amount equal to or greater than of 8 percent of the funding provided by the project and the Government and this contribution will be considered part of the total grant and subject to the same rules and conditions governing the funds received from the project and the Government. The actual amount of the award will, however, depend upon the overall quality of the proposal as reflected by the score obtained in the evaluation process. This grant window will fund proposed developments for up to a maximum of three years after the effectiveness date of the grant contract. Each grant proposal must include a plan for developing an outreach program to increase study opportunities for disadvantaged students.

In addition, the following eligibility should also be met:

- the institution should have complied to submit complete EPSBED report that covers at least 85% of all study programs per semester to DGHE.
- the study programs proposed should be accredited, by BAN-PT, with the minimum of B rank;
- study programs currently receiving grants provided by the DGHE (e.g., PHK, PHK-I) must provide justification to be nominated and clear explanation that no overlapping will occur. The justification shall also identify income from all sources and provide an aggregate plan which demonstrates where the proposal is complementary and how inputs and the attribution of outputs are separated.

4. Selection Mechanism

Grants will be awarded through a competition process, where the selection process will involve independent review panels which will undertake the desk evaluation of a proposal and on-site evaluation to the proposing institution. The call for Proposals will be sent out to all prospective and eligible institutions through an announcement in a national mass circulation newspaper and on the I-MHERE website.

To enhance disclosure and transparency results from the selection process will be publicized on the I-MHERE website. Also a complaints register will be established and coordinated by DGHE-UI to record and monitor actions taken to resolve complaints. This information will be routinely updated and available to Government auditors, entities conducting monitoring and evaluation and the World Bank.

4.1 Selection Process

The proposal review process ensures transparency by adhering to the principles of external peer review and by engaging a range of proposal reviewers from a cross-section of HEIs. The reviewers must adhere to a strict code of conduct that ensures, among other things, that review panelists avoid any potential conflict of interest by excusing themselves from grant reviews related to their own institutions or programs. These review panels are appointed by DGHE-IU from a pool of experts established by BHE. To ensure transparency, the grant selection results will be made public through letter from DGHE to all applicants and through the project website.

The first step will be the Proposal, which comprise a time-bound development program based-on the in-depth analysis undertaken during the self-evaluation exercise¹. Those institutions whose evaluation of the Proposal meets a minimum rating score, as determined in a desk evaluation by an expert panel of at least three reviewers will be short-listed for the Site Visit. The minimum rating score will be determined by the Director General upon considering review results and the number of available grants. Since there is no tier system in this selection, there will be only one minimum rating score.

Coinciding with the call for Proposals, DGHE-IU will publicly announce and run a series of workshops to familiarize prospective applicants with the proposal development as well as the selection mechanism. All prospective applicants are strongly advised to attend.

The overall process review will follow the following 4-step process:

1. Proposal
2. Desk Evaluation
3. Site Visit
4. Decision

Step 1: The Proposal will comprise a *self-evaluation* report, a time-bound development plan which is linked to the results of that self-evaluation, and a capacity building program. The development plan shall provide in sufficient detail the proposed

¹ It is expected that most, if not all, proposing institutions will have had prior experience with conducting self-evaluations and encouragement is given to institutions to be creative and innovative in their approach to self-evaluation however a sample self-evaluation format is available on www.dikti.go.id/~I-MHERE.

activities, investments, costs to implement the proposed development programs, and a description of the HEI's arrangements to monitor and evaluate implementation and performance.

The objectives of the self-evaluation are to create a base-line for self-analysis, increase awareness of quality management, and as a basis for planning. The baseline will be used also for determining the relative position of the grantees when entering the project as compared to other grantees. Thus method for measuring the main indicators have to follow the tabulated list as described in Section 6 of this document. The self-evaluation will also contain an assessment of financial management and procurement management capacity.² The self-evaluation exercise will describe the key dimensions of the institution and identify perceived strengths and address weaknesses in a problem statement and articulate a preliminary plan to build on those strengths and address the perceived weaknesses. The Proposal will demonstrate that study programs proposed are amongst the main priorities of institution as evidenced by the institution's strategic plan/vision.

Any proposing institution currently implementing development programs funded by the Government (e.g. DHGE), must provide a clear explanation that no overlapping will occur, in addition institutions which have previously received development funding must provide a clear explanation of the linkage between those investments and the proposed funding support.

The proposal must include a plan for developing an outreach program to increase study opportunities for disadvantaged students, including the plan to maintain its sustainability. In this part, the proposal should also describe any program and/or initiative that are currently implemented at the institution.

All HEIs applying for grants must agree and cooperate with the monitoring and evaluation of their proposed programs

Step 2: Desk Evaluation will then be undertaken by three expert panel members appointed by the DGHE-IU. The panel will consider the quality of the proposal and the extent to which it meets the requirements of the selection criteria. Within one month of receipt it will be returned to the applicants with a detailed report on its quality and a decision as to whether or not to proceed to the next step of evaluation (site visit). Under public disclosure agreements desk evaluation results will be published on the I-MHERE website.

Step 3: The Site Visit will consist of a two day visit by a panel of three experts appointed by the DGHE-IU to validate the self-assessment provided by the institution and to evaluate the extent to which the Proposal and its components are deemed viable to achieve its stated targets. This will also involve evaluation of the extent to which the proposal meets the proposed performance targets. The panel will make a recommendation regarding the funding of the proposal and provide a written report justifying the score given to the proposal within one month of the Site Visit.

² *Guidance on financial management and procurement management capacity assessment are contained in the Project Appraisal Document (PAD), Report No. 31644-ID, and Operation Project Manual'- OPM which can be found on www.dikti.go.id/~I-MHERE.*

Step 6: The Decision to fund an institution is made on the basis of the evaluation data and evidence from the Proposals and during the Site Visit. The decision of the award will be made by the Director General of Higher Education after considering the recommendation from the review panel, and obtaining a No Objection from the World Bank. Under public disclosure agreements the final grant award decision will be published on the I-MHERE website.

4.2. Selection Criteria

The primary issue to be addressed in the proposal is the institution's responsiveness to the needs of its stakeholders. This should clearly reflect the institution's capacity to contribute to the improvement of the Nation's competitiveness, additionally the proposal must include a plan for developing an outreach program to increase study opportunities for disadvantaged students.

The criteria used for selecting proposal are therefore:

a) Leadership and institution's capacity [15%]:

The strength of the leadership of the proposed institution can be identified from its strong visions, on how to develop the institutions and how to guide and manage the activities effectively to accomplish the institution objectives. It should be reflected sharply in the proposal, for instance on consolidating and prioritizing proposed program of the project.

b) The overall quality of Self-Evaluation Report [20%]:

A good planning should start with the availability of accurate and comprehensive data. Data should cover aspects of input, process, and output as well as outcome of the educational process. Source of data should not be limited to within the institution but also from external data sources including stake holders.

Since the suitability of the proposed activities to solve the identified problems is entirely dependent on the quality of the self evaluation process, the proposal review will also take into account the involvement of stakeholders, comprehensiveness of data scrutinized, and data accuracy. In particular the review panel will consider the quality of baseline data measuring the current situation

The quality of an analysis that went behind an SE Report could be partially inferred from the result of the assessment of the data presented. Furthermore, another evidence of an in-depth analysis could be indicated in relation with the validity of the strategic problems identified based on the data presented, as well as the appropriateness of the set of the proposed activities incepted in order to rectify the situation.

A good evaluation report should also reflect the institution's capacity to develop plan as demonstrated by treating self-evaluation process as an integral part of institutional planning.

c) Clarity and soundness of the proposed programs [30%].

Solution development refers to how a study program or an HEI unit addresses the Self-evaluation report requirements – the methods and processes used by study program or the HEI unit including its understanding of the relevant issues. Approach will be

evaluated on the basis of the appropriateness of the approach to address the issues; effectiveness of the approach; and alignment with organizational needs.

The proposal should demonstrate that the proposed programs are highly relevant to the national and/or regional needs that the proposed outreach program is effective, and its successful implementation will contribute significantly to the nation's competitiveness one reflection of which will be the appropriateness and comprehensiveness of performance indicators proposed to measure improvements attributed to the proposed investments. It should also explain clearly how the outreach program to support disadvantaged groups that will be developed and implemented.

d) Sustainability [20%]:

The institutional plan to sustain the program after the grant has been completed should be clearly described including the allocation of budget, staff and other resources for continuing the good practices as well as for supporting underprivileged students.

Strategies to adopt and sustain best practices resulted from the programs should also be described in the proposal as part of the development activities.

e) Clarity and Feasibility for implementation [15%]:

The proposed programs shall not only be attractive and innovative, but also it has to be feasible to implement within the resource & time constraints. Budget for the proposed programs should also be justified. In addition it should also demonstrate integration of the implementation organization into the institution's structure, which reflects a systematic management capacity building (comprising a clear institutional building plan covering financial, human resources, physical resources, procurement etc. to be implemented at the institution. The plan shall spell out in adequate detail indicators, targets as well as steps and stages for achieving the targets towards institution building.

5. Schedule for the Fourth Round

Table 1: Schedule for the fourth round of competition

1. Call for –proposals	7 August 2008
2. Workshops for proposal writers	15 – 16, and 22-23 August 2008
3. Proposal development	7 August – 9 October 2008
4. Proposal Submission	10 October 2008
5. Desk evaluation	20 – 31 October 2008
6. Announcement for site visits	3 November 2008
7. Site evaluation	10 – 25 November 2008
8. Announcement	1 December 2008

6. Key Performance Indicators

The institutions receiving the grants should provide a set of indicators that would reflect the achievement of project objectives. The following key performance indicators are mandatory, and the institution should provide additional indicators pertinent to the proposed program:

No	Main Indicators		Baseline	Mid-term target	Final target
1	Average Graduates GPA				
2	Average Time to Graduate (months)				
3	Average Waiting Time for First Employment (months)				
4	Scientific Publications At Reputable Seminars/Journals (titles per year)	Seminars/ Conference	National		
			International		
		Journals	National		
			International		
5	Average Students TOEFL's Score				
6	Number of Students Obtaining Scholarship Per Year				
7	Proportion of Students from Lowest Quintile of Socio-Economic Background				
8	Proportion of Students from Rural Areas				
9	Number of Community Service Activity				
10	Portion of Self-generated Revenue Outside Tuition and Fees				
11	Number of Collaboration				
12	Number of Patent and Intellectual Property Rights				
13	Number of National Competitive Research Grants Per Year				

The institution should describe how the baseline values are developed and how to measure the targeted performance.

In addition, qualitative indicators which reflects the institution overall performance to improve quality and relevant should be measured by panel of experts which involves peers evaluation.

Specific set of indicators to reflect program specificity (e.g. arts, polytechnics, teacher training program) shall be proposed by individual proponent.

7. Eligible Expenditures

The proposal must include a plan for developing an outreach program to increase study opportunities for disadvantaged students. Eligible expenditures to support Outreach Program are limited to Domestic Technical Assistance, Scholarships, and Students' Grants.

The expenditures proposed should be logically linked to the proposed programs, supported by strong arguments and clear justification.

Eligible expenditures to be proposed in the proposal are:

- a) *Domestic degree training*: degree training should be seen as part of the institution's human resource (staff) development plan. Thus the expected contributions of the returnees to the proposed programs should be clearly described. A full-cost scholarship (covering at cost tuition fee and domestic travel, living allowance, and books and thesis allowance) will be provided to support the academic staff pursuing Master degrees at approved domestic institutions³. Each master degree program candidate will be supported for a maximum of 2.5 years. The recipient will receive (1) actual tuition, provided the fee does not exceed Rp. 10 million per semester, (2) one time economy class return travel cost, and (3) living costs and research and book allowance up to a maximum annual support of Rp. 14 million.
- b) *Domestic non-degree training*: this expenditure category can be used to support academic as well as non-academic staff to take short training (from one week to three months) in country. The ceiling cost for domestic training is Rp. 7.5 million per month, for allowances and any bench fee, and is limited to three consecutive months, excluding costs for travel. If proposed, this component should be supported with a detailed TOR.
- c) *Classroom and laboratory furniture*: limited to furniture for classroom and laboratories.
- d) *Laboratory and teaching equipment*: relevant laboratory and teaching equipment can be proposed to support implementing the proposed programs. Total proposed budget for classroom and laboratory equipment and furniture shall not exceed 40% of the total budget.
- e) *Textbooks and journal*: this grant can be used to procure textbooks and subscribe journals. The project supports for the purchase of international textbooks and journals only. Domestic texts may be procured using the institution matching funds outside the committed 8%.
- f) *Domestic and overseas technical assistance*: Technical specialist in core subject competence can be proposed. Overseas TAs can be proposed only if such qualification cannot be found in country. Clear and sound terms of reference (TOR) should be included in the proposal. Although the actual cost for this component will depend on the quality of the expert as well as the scope and nature of the assigned tasks, as a guide the cost for domestic TA may be approximately Rp. 25 million per month excluding one return economy class travel expenses. For overseas TA as a guide the cost may be USD 25,000 per month all inclusive
- g) *Research grant*: this fund is intended to promote research activities which directly contribute to the improvement of the quality and relevance of the proposed programs. Each research grant is limited to a maximum of Rp. 30 million, to be awarded on a competitive basis through an internal selection process. A prior review and approval by the DGHE-IU of the internal selection mechanism and decision to award is needed prior to award. The maximum number of grants would be limited to 30% of the total permanent and active staffs.

³ DGHE-IU approval of the domestic HEI must be obtained prior to staff commencing a Masters program under this category.

- h) *Students grant*: this expenditure category is intended to directly supporting final year students of the participating study program for carrying out projects, Skripsi preparation, or other forms of academically required tasks. Each student grant is limited to a maximum of Rp. 5 million per grant. This expenditure category should be considered as an integral part of the proposed outreach program. The proposing institution should include a brief description of the mechanism by which students will be selected.
- i) *Scholarships*: this expenditure category is intended to provide financial support for students with outstanding academic performance but economically disadvantaged. An amount of Rp 250,000 – Rp. 500,000 per student-month is used as the unit cost to be provided for the whole period of study. Beneficiaries of this scholarship are not limited to the proposed study programs and they should be waived from paying tuition fee. This expenditure category should be considered as an integral part of the proposed outreach program, and if proposed should be accompanied by a detailed TOR. The TOR should detail the selection mechanism, specifically the working definition of “disadvantaged”, provide details of how the academic performance of recipients will be monitored and explain how the program will be funded after closure of the grant.
- j) *Project Management*: This expenditure category aims to provide incentives for a limited number of HEI – IU officers and to provide supports for activities such as meetings, office consumables, and coverage of communication costs to maintain Internet connections. Domestic travel is needed for periodic workshops on implementation conducted among grantees. Implementing officers eligible are (1) executive director, (2) Monitoring and Evaluation Section (3) Treasurer and (4) Procurement Section, (5) Academic Secretary, and the key person from each study program/outreach program, and additional support staffs as needed. The unit cost for these incentives will be provided by the DGHE – IU. The Proposed Budget for this component should not exceed 8% of the total proposed investment, of which no more than 5% could be funded by I-MHERE grant. A detailed description of this component should be presented in the proposal.
- k) *Capacity Building Program*: up to USD 50,000 can be proposed for supporting a capacity development program for strengthening financial management and procurement reforms agenda. This should be linked to the proposed capacity development programs as described in the proposal. Institutions already awardees of the B2.a sub-component are not eligible to propose this component. Detailed cost component for this expenditure category includes: domestic degree training, domestic technical assistance, limited office furniture and equipment, policy study and program development. Unit cost for domestic non-degree training and domestic technical assistance follows expenditure category b) and f) appropriately. Policy study and program development can be executed internally (in-house). The ceiling cost for policy study and program development is Rp 50 millions, and up to 2 activities can be proposed each year.

8. Institutional Matching Fund Commitment

If selected, the grantees have to commit a certain amount of funding that reflects its commitment for sustainability. The commitment should be demonstrated by a formal

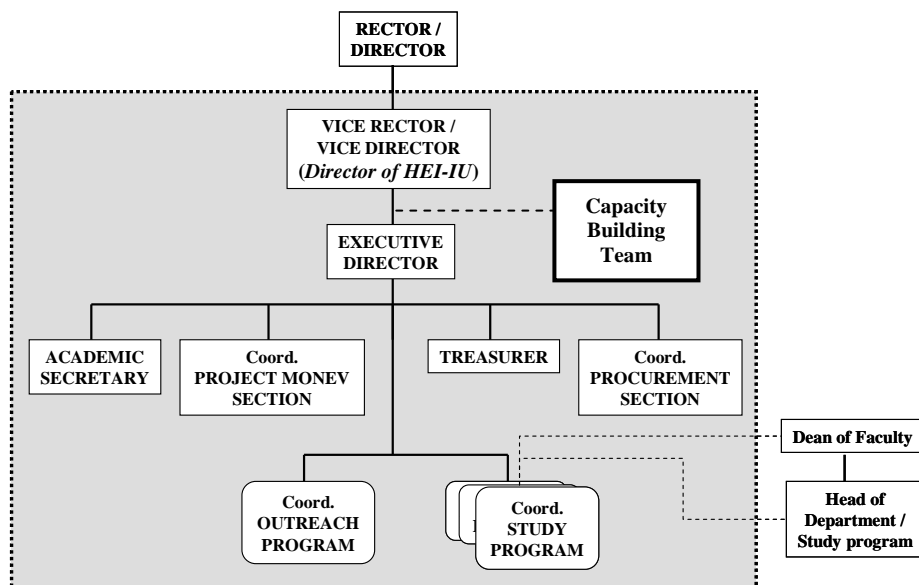
statement signed by the *Rector/Director* of the proposing institutions. The level of funding should be adequate to at least support the maintenance cost and partial operational cost of the proposed investment. This matching fund should be allocated from the university's self generated fund (*Institutional Matching Fund - IMF*). In order to fulfill the requirement, the level of self-generated funding proposed **to be committed is at least 8%**⁴ of the total proposed investment. The proponent should be aware that the level of IMF (*DRK*) is not negotiable thus an internal agreement within the university should be reached. The total Proposed Budget should, therefore, take into account its capacity to generate revenue.

9. Implementation Arrangement

At the central level, this project will be managed by a unit called DGHE-IU established by the Director General of Higher Education. All matters pertaining to the administration of the award will be carried out by the DGHE-IU. DGHE will establish a complaints handling mechanism, coordinated by DGHE-IU, to record and investigate all complaints and monitor steps taken to resolve complaints. The complaints register and a summary of actions taken to address complaints will be available to the World Bank and government auditors.

At the higher education institution level, the project will be managed by HEI-IU and established by the Rector (or similar authority). Typical organization structure of HEI-IU is represented below:

Figure 1: Project Organizational Structure of HEI-IU



The Rector (or Director) will appoint one of his/her vices to be the Director of HEI-IU. Day to day operation of the HEI-IU will be under an executive director which directly reports to the HEI-IU Director. The Executive Director will coordinate the implementation of development programs with the Academic Secretary and Project Monitoring &

⁴ While the minimum contribution required from IMF/DRK is 8%, an institution may allocate more than 8% and increase the scope of the proposed investment program; however in calculating the size of the World Bank and Government portion of the grant the ceiling will be USD 1,600,000.

Evaluation Section, as well as with the coordinator for each Study Program and the coordinator of the Outreach Program. For administering the project (from the procurement and financial aspects), Executive Director will be assisted by treasurer and Procurement section. The proposal shall explain the mechanisms and criteria used for selecting the project officers. This information will be used by the reviewers to among others evaluate the clarity of implementation arrangement and feasibility for implementation. The project will follow agreed disclosure and transparency provisions. At the HEIs level this will involve routine summary reports of grant implementation progress to the press and to relevant civil society forums (for example NGOs, student groups⁵ and alumni groups), and conducting annual accountability meetings to which these representatives of civil society would be invited.

In order to build the institutional capacity in resource management, each grantee shall develop a comprehensive framework for procurement and financial management. The framework will be used as a sole reference to be adopted by all units within the institution. The framework is to be legalized and endorsed by the Rector's Decree (or similar highest authority) before the contract of the award. The framework shall comprise indicators, targets as well as steps and stages for achieving the targets.

The Executive Director, Academic Secretary, Coordinator of Project Monitoring & Evaluation Section, Treasurer, Coordinator Procurement Section and Study Program / Outreach Program Coordinators should be a full time officer, non structural position, in charge for daily business, and stationed in the HEI-IU office. Academic workload of the officers involved should be adjusted to ensure the success of the project implementation. Full curriculum vitae of each officer including managerial and administrative experiences should be presented in Appendix.

10. Format of the Proposal

The Proposal shall be written in English and consists of two books. Book-I will be limited to maximum of 75 pages, excluding annexes and will be focused on the plan to improve quality of proposed study programs and to increase institution's social responsibility through outreach program. Book-II is the self-evaluation report which provides the basis for developing Book-I. A more detailed description on contents for each book is described below:

Book-I: Improvement Plan

Chapter-1: Summary of the proposed development plan

This chapter consists of a summary of the proposed development plan, including its expected contribution to the overall institution's development. This chapter should be preceded by major findings resulted from self-evaluation results reported in the initial proposal. This chapter shall be presented in at most 3 pages.

⁵ Student group refers to established bodies such as the Badan Eksekutif Mahasiswa, himpunan mahasiswa and pers mahasiswa.

Chapter-2: Internal arrangement for project implementation

This chapter explains how the project undertaking will be managed and organized at the institution as well as at other levels. This should include organization and job description for each unit of the organization, coordination and reporting as well as the monitoring evaluation mechanism. A comprehensive framework for procurement and financial management should also be attached in the annex.⁶ This chapter shall be presented in at most 4 pages. The HEI will detail arrangements to ensure procurement plans and any updates are freely available and accessible by the civil society.

Chapter-3: Detail plan for each proposed development program

This chapter will be the main content of this proposal, which can be presented in up to 60 pages describing rigorously the detailed description of the proposed programs (strengthening study programs as well as outreach program), detailing all activities to be implemented in order to achieve the stated goals and objectives to be measured in clear performance indicators.

This chapter should describe the targeted performance indicators. Each proposed activity should be described clearly including its background, rationale, objective, mechanism and design, resources required, performance indicators, implementation schedule, and person in charge. Some activities are unique and or applicable to a specific program, but others are applicable to more than one program.

Chapter-4: Proposed Budget (recapitulation as well as detailed budget for each Department and Outreach Program)

This chapter consists of the proposed budget to be presented according to the standardized format as presented in the appendices (Appendices 4.1-4.4). In case the proposing institution is currently implementing development programs funded by the government (e.g. DGHE), clear explanation should be presented on the argument that no overlapping funding will take place and the significance of the proposed funding with regard to the previously received funding supports.

Annex (comprises the TOR, detailed specification for any goods to be procured in the first year, detail plan for each cost component – table 4.5 – 4.18)

Book-2: Self-Evaluation Report

The Self-evaluation report shall be written in English to be concisely presented in at most 50 pages (excluding annexes) to follow the following structure:

Chapter-1: Summary of the institution's overall development plan

This chapter contains the summary of the institution's strategic plan as well as its link to the proposed development programs both as study programs strengthening and outreach programs development. This chapter should be presented in concise way in at most 5 pages. This chapter should include also

⁶ Guidance on financial management and procurement management capacity assessment are contained in the Project Appraisal Document (PAD), Report No. 31644-ID, and Operation Project manual (OPM)

an evaluation of the previous development programs funded by the DGHE, (or other sources if linked to the proposed investments) and as to why further funding is needed.

Chapter-2: Rationale and Context

This chapter contains the rationale as to why the proposed development programs are chosen including a report on external evaluation process and justification for selecting the proposed study programs. This chapter shall be presented in at most 2 pages.

Chapter-3: The Self-Evaluation Report

This chapter will be the main content of the Book-II. It may be presented in up to 40 pages, covering all units pertinent to the proposed programs (study programs as well as the outreach program)⁷. For the outreach program, the self-evaluation should be conducted at the institution level. For each study program proposed, self-evaluation should be done on the Department that carries out the program. In the later case, the self-evaluation report shall cover comprehensively the evaluation results on academic programs (education, research and services), human resources, infrastructure and facilities, financial resources, as well as quality assurance system. This evaluation report should also concisely describe the general conclusion of self evaluation at the institution level.

As for the outreach program, the self-evaluation should provide rigorous and comprehensive analysis on initiatives that are already attempted by the institution in providing access to disadvantaged groups, achievements as well as constraints faced by the institution in implementing the endeavors. This should be backed up by data and time series analysis on students profile especially from the socio-economic and geographical background perspective. Special attention must be given to students at the proposed study programs.

Chapter-4: Summary of Evaluation Results and Inception Plan

This chapter contains a summary of evaluation results demonstrating major findings of the evaluation covering threads, opportunities, weaknesses, as well as the strengths of the institutions, and a concise description of the proposed development plan or strategies for both study programs and outreach programs. The plan should be based on the self-evaluation report presented in Chapter 3. This chapter should be presented in such a way that the total number of pages (Chapter 1 to Chapter 4) shall not exceed 50.

Annex This section can be used to present supplementary data and information relevant to the discussion given in the body of the proposal.

⁷ It is expected that most, if not all, proposing institutions will have had prior experience with conducting self-evaluations and encouragement is given to institutions to be creative and innovative in their approach to self-evaluation however a sample self-evaluation format is available at www.dikti.go.id/~I-MHERE

Book-3: Capacity Development Program

Each grantee of the I-MHERE Project should develop a framework and capacity building plans for financial and procurement management, and planning capacity and as part of the implementation arrangement of the project. The should document outline structure and contents of the capacity building plan to be implemented during the lifetime of the project and beyond. Such plan should be developed to make a sound and clear action plan including indicators to measure its effectiveness. The document should describe succinctly the programs to improve financial and physical facilities management, including reform of the procurement system. Three areas of concerns should be explicated in this document, i.e. (1) institutional arrangement, (2) system and procedures, (3) staff competencies. The total number of pages of this document should not exceed 20 pages. Typical structure of this document is described in the following:

Letter of Statement

Provide HEI's statement (Rector's decree) to develop framework and action plan for capacity building in financial, procurement, and human resource management, and its commitment to adhere and implement the plan during and after the project. The decree should also include the appointment of capacity building implementing team.

Section-2: Introduction

In this section briefly describe the existing condition of HEI's management, i.e. structure, policy, etc, pertinent to financial, procurement, and planning aspects and the needs for improvement of management capacity in respected functions.

Section-3: Financial Management Capacity Building and Actions Plan

The plan shall describe a detailed implementation plan for the institution-building as well as actions that will be implemented under the project progressively each year. This includes at least three major issues, i.e. organizations, operating procedures (SOP), and human resources. The plan should be presented according to the following structure:

1) *Background*

2) *Objectives*

3) *Existing condition*

Describe succinctly the existing situation for each of the aforesaid issues pertaining to financial management including areas of the needed reform.

4) *Expected condition*

Describe succinctly the expected condition for each of the aforesaid issues pertaining to financial management including its indicative measures.

5) *Detailed Action Plan*

Describe clearly actions to be carried out to achieve the expected condition, including link to the proposed development activities to be implemented under this project.

6) *Performance Indicators*

In order to measure the improvement of the capacity of Financial Management, some Performance Indicators how to be presented. Main performance indicators are presented in Table 2.

Table 2: Performance Indicators for Financial Management

Performance Indicators
A. At Entry
1. Official appointment of the unit/team within the HEI with responsibility to guide financial management institutional building and related reforms, with representation of each unit/faculty.
2. A detailed implementation plan for the institution-building actions that will be implemented under the project progressively each year.
B. By the End of the Project
1. Make available to students and civil society details of budget and audited annual financial report
C. Internal & External Auditing
2. Establish internal audit function within HEI responsible to the head of the institution
3. Arrange for the private auditor to conduct annual independent audit of financial statements for the institution.

Section-4: Procurement Management Capacity Building and Actions Plan

The plan shall describe a self-diagnostic report indicating areas of the needed reform, and the action plan that will be carried out under the Project. This includes at least three major issues, i.e. organizations, operating procedures (SOP), and human resources, and should be presented according to the following structure:

1) *Background*

2) *Objectives*

3) *Existing condition*

Describe succinctly the existing situation for each of the aforesaid issues pertaining to facility management and procurement system including areas of the needed reform

4) *Expected condition*

Describe succinctly the expected condition for each of the aforesaid issues pertaining to facility management and procurement system including its indicative measures.

5) *Detailed Action Plan*

Describe clearly actions to be carried out to achieve the expected condition, including any link to the proposed development activities to be implemented under this project.

6) *Performance Indicators*

Detailed Performance Indicators are presented in Table 3.

Table 3: Performance Indicators for Procurement Management

Procurement Institutional Building Objective
A. At entry
1. Official appointment of the units and staff with institutional mandate to carry out procurement (Copy of SK Rektor appointing the units and staff along with their Terms of Reference)
2. A proposal including own diagnostic report indicating areas of the needed reform and the action plan that will be carried out under the Project (Copy of SK Rektor indicating the needed reform and action plan)
B. End of 1st yr implementation
1. Monitor and publicly disclose contracted unit rates for major components of civil works contracts, as well as prices for major categories of goods (Documentation of public disclosure of unit prices (e.g. newspapers, or internet)
2. All procurement activities are subject to external audit (by BPKP or other independent auditor) (Copy of the Audit Report)
3. Standard and qualification criteria staff involved in procurement is established as part of the institution's own system (Copy of the SK Rektor)

The above mentioned Plan should become the institution's document, and is endorsed by the Rector.

Other Essential Information

Signatory

Both documents shall be submitted by the Rector of the institution (or Director in case of Polytechnics), and a cover letter signed by him/her shall be in the first page of each document. Contact address (postal, e-mail, telephone and facsimile) should be clearly presented on this page.

Table of Contents

The table of content of each document shall be presented right after the cover letter.

Submission Date

Initial proposal documents shall be sent and received **by 10 October 2008, 16.00** hrs at the following address:

**DGHE-IU
I-MHERE
Direktorat Jenderal Pendidikan Tinggi
DEPARTEMEN PENDIDIKAN NASIONAL
Gedung D, Lantai 11.
Jl. Pintu Satu
Senayan – Jakarta Pusat**

Standardized Cover Sheet

The proposal (The Book I [blue], Book II [yellow], and Book III [white]) shall use the following standardized cover sheet:

Comprehensive Proposal

Improvement of Quality and Social Responsibility

**INDONESIA – Managing Higher Education for Relevance and
Efficiency (I-MHERE) Project**

BOOK I: Improvement Plan

Name of institution: _____



Directorate General of Higher Education

Ministry of National Education

2008

Comprehensive Proposal

Improving Quality and Social Responsibility
INDONESIA – Managing Higher Education for Relevance and
Efficiency (I-MHERE) Project

BOOK II: Self Evaluation Report

Name of institution: _____



Directorate General of Higher Education
Ministry of National Education

2008

Comprehensive Proposal

Improving Quality and Social Responsibility
**INDONESIA – Managing Higher Education for Relevance and
Efficiency (I-MHERE) Project**

BOOK III: Capacity Building and Action Plan Financial and Procurement Management

Name of institution: _____



**Directorate General of Higher Education
Ministry of National Education
2008**

APPENDICES

Appendix 4.1. Summary of 3 Years Proposed Budget from All Programs

Programs ⁺⁾	First Year (US \$)		Second Year (US \$)		Third Year (US \$)		Total SP (US \$)	
	Grant ^{*)}	IMF ^{**)}	Grant	IMF	Grant	IMF	Grant	IMF
Strengthening Study Program A								
Strengthening Study Program B								
Strengthening Study Program C								
Outreach Program								
Capacity Building Program								
Annual IMF								
Total Proposed Budget								

1 US \$ = Rp. 9.000,-

*) from World Bank (WB) and Governance of Indonesia (GOI)

***) from Institution funding (IMF)

+) *Depends on submitted proposal*

Appendix 4.2. Summary of 3 Years Budget by Component for all Programs

No.	Components	Strengthening Study Program A (US \$)	Strengthening Study Program B (US \$)	Strengthening Study Program C (US \$)	Outreach Program (US \$)	Capacity Building Program (US \$)	Total (US \$)
1	Staff Development						
2	Equipment						
3	Furniture						
4	Textbooks and Journal						
5	Technical Assistance						
6	Research support fund						
7	Students' support fund						
8	Scholarship						
9	Capacity Building						
10	Project Management						
TOTAL (US\$)							
	IMF (US \$)						
	IMF (%)						

1 US \$ = Rp. 9.000,-

Appendix 4.3. First Year University Proposed Budget

Program/ Components	UNIT	Quantity	Unit Cost (US \$)	Total Cost (US \$)	Total IMF (US \$)
Strengthening SP - A					
1. Staff Development	Staff Year				
2. Equipment					
3. Furniture	Unit/Package				
Etc					
<i>Sub-Total SSP A</i>					
Strengthening SP – B					
1. Staff Development	Staff Year				
2. Equipment					
3. Technical Assistance	Man-month				
Etc					
<i>Sub-Total SSP B</i>					
Strengthening SP – C					
1. Staff Development	Staff Year				
2. Equipment					
Etc					
<i>Sub-Total SSP C</i>					
Outreach Program					
1. Scholarship					
Etc					
<i>Sub-Total OP</i>					
Capacity Development Program					
1. Staff Development	Staff month				
2. Equipment					
3. Technical Assistance					
4. Policy Study / Program Development					
Etc					
<i>Sub-Total CDP</i>					
Total					

1 US \$ = Rp. 9.000,-

Appendix 4.4. Summary of the Total Proposed Budget

Components of Expenditure	Year 1				Year 2				Year 3				TOTAL				%
	WB	Local Currency (Rp)			WB	Local Currency (Rp)			WB	Local Currency (Rp)			WB	Local Currency (IDR)			
	(US \$)	WB	GOI	IMF	(US \$)	WB	GOI	IMF	(US \$)	WB	GOI	IMF	(US \$)	WB	GOI	IMF	
1. Staff Development																%
<i>Domestic degree</i>																	
<i>Domestic non-degree</i>																	
2. Procurement																%
<i>Equipment</i>																	
<i>Furniture</i>																	
<i>Textbook-Journal</i>																	
3. Technical Assistance																%
<i>Domestic</i>																	
<i>International</i>																	
4. Research and Studies																%
<i>Research Fund</i>																	
<i>Student Fund</i>																	
5. Scholarship																%
<i>Scholarship</i>																	
6. Capacity Building																%
<i>Capacity Building</i>																	
7. Project Management																	Max 5%
<i>HEI-IU Operational support</i>																	
Grand Total																	
Portion (%)	75%	17%	8%		75%	17%	8%		75%	17%	8%		75%	17%	8%		100%
Total in US\$																	
Allocated per Year				

Note  : Sub Total per Components

1 US\$ = Rp 9.000,-

 : Eligible Funding

 : Not Eligible Funding

PLEASE ENSURE THAT APPENDIX 4.4 IS CONSISTENT WITH TABLE 2 (SOURCE AND PROPOSED BUDGET COMPOSITION)

Appendix-4.5. Detailed Specifications: Staff Development – Domestic Degree Training Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.4.a is for Year 2009, Appendix-4.4.b is for Year 2010, etc.)

Name of tentative candidates	Field of Study	Targeted university to apply	Estimated length of study (years)	Estimated Cost (Rp)

The proponent should be aware that the proposed program will be started in January 2009.

Notes: - maximum annual support is Rp. 14 million (Master) per year excluding at cost component, where the tuition **shall not exceed Rp. 10 million per semester**
- master degree will be supported for a maximum of 2.5 years

Appendix-4.6. Detailed Specifications: Staff Development – Domestic non-degree Training Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.6.a is for Year 2006, Appendix-4.6.b is for Year 2007, etc.)

Name of tentative candidates	Field of study	Targeted university/institution to apply	Estimated length of study (months)	Estimated Cost (Rp)

Notes: The ceiling applied is Rp. 7.500.000, - per person-month for maximum of three consecutive month

Appendix-4.7. Detailed Specifications of Equipment Year-1 up to Year-2 (Not eligible in Year-3)

(Should be presented per year, i.e. Appendix-4.8.a is for Year 2009 and Appendix-4.8.b is for Year 2010, etc.)

Type of Equipment	Technical/bidding specification	Quantity	Unit Cost (Rp or USD)	Utilities ^o	Estimated Cost (Rp or USD)	Remark

Appendix-4.8. Detailed Specifications of Furniture Year-1 up to Year-2 (Not eligible in Year-3)

(Should be presented per year, i.e. Appendix-4.9.a is for Year 2009 and Appendix-4.9.b is for Year 2010)

Name of Furniture	Technical/bidding specification	Quantity	Unit Cost (Rp)	Utilities ^o	Estimated Cost (Rp)	Remark

^o Please describe availability and additional requirements
^o Please describe availability and additional requirements

Appendix-4.9. Detailed Specifications of Text Book-Journal Year-1 up to Year-2 (Not eligible in Year-3)

(Should be presented per year, i.e. Appendix-4.10.a is for Year 2009 and Appendix-4.10.b is for Year 2010)

Name of Text Book - Journal	Title	Quantity	Unit Cost (Rp or USD)	Utilities [⊙]	Estimated Cost (Rp or USD)	Remark

Appendix-4.10. Detailed Specifications: Technical Assistance – Domestic Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.11.a is for Year 2009, Appendix-4.11.b is for Year 2010, etc.)

Number of Person	Qualification ¹⁾	Major assignment ²⁾	Estimated length of visit (month)	Major field	Estimated Cost (Rp)

Notes : The ceiling applied is US\$ 25,000 per person-month for minimum of 1 month (excluding at cost one return economy class travel expenses)

[⊙] Please describe availability and additional requirements

¹⁾ Should be elaborated in Term of References

²⁾ Teaching, research, or management consultant

Appendix-4.11. Detailed Specifications: Technical Assistance – International Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.12.a is for Year 2009, Appendix-4.12.b is for Year 2010, etc.)

Number of Person	Qualification¹⁾	Major assignment²⁾	Estimated length of visit (month)	Major field	Estimated Cost (Rp)

Notes : The ceiling applied is US\$ 25,000 per person-month for minimum of 1 month (including International Travel)

Appendix-4.12. Detailed Specifications: Research and Study – Research Fund Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.13.a is for Year 2009, Appendix-4.13.b is for Year 2010, etc.)

Name of Title	Scope	Field of Study (Concentration)	Total Cost (Rp)

Notes: Unit cost for this grant is Rp. 30 million (maximum), to be awarded in a competitive basis through an internal selection process

Appendix-4.13. Detailed Specifications: Research and Study – Student Fund Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.14.a is for Year 2009, Appendix-4.14.b is for Year 2010, etc.)

Name of Title	Scope	Field of Study (Concentration)	Total Cost (Rp)

Notes: Unit cost for this grant is Rp. 5 million

Appendix-4.14. Detailed Specifications: Scholarships Year-1 up to Year-3

(Should be presented per year, i.e. Appendix-4.16.a is for Year 2009, Appendix-4.16.b is for Year 2010, etc.)

Number of Student	Scheme of Scholarship	Tentative Study Program	Period^{*)} (month)	Total Cost (Rp)

Notes: - This program should be accompanied by a TOR
- Unit cost for this program is Rp. 250,000 – Rp 500,000 per student per month

^{*)} whole period of study until end of HEI grant

Appendix-4.15. Detailed Specifications: Capacity Building - Financial Management

(Should be presented per year, i.e. Appendix-4.17.a is for Year 2009, Appendix-4.17.b is for Year 2010, etc.)

Name of Program	Scope	Target	Quantity	Unit Cost (Rp)	Total Cost (Rp)

Notes: - This table is for policy study or program development only. Other cost component (e.g., non-degree training, equipment, TA etc. should use appropriate table)
- Unit cost for this activity is Rp 25 million (maximum), Up to 2 programs can be proposed per year.
- This program should be accompanied by a TOR

Appendix-4.16. Detailed Specifications: Capacity Building - Procurement Management

(Should be presented per year, i.e. Appendix-4.18.a is for Year 2009, Appendix-4.18.b is for Year 2010, etc.)

Name of Program	Scope	Target	Quantity	Unit Cost (Rp)	Total Cost (Rp)

Notes: - This table is for policy study or program development only. Other cost component (e.g., non-degree training, equipment, TA etc. should use appropriate table)
- Unit cost for this activity is Rp 25 million (maximum), Up to 2 programs can be proposed per year.
- This program should be accompanied by a TOR