

**Summary of the 2021 Annual Activity
Report of Klaipėda State University of
Applied Sciences**

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1. STRATEGIC MANAGEMENT

1.1. Implementability of KVK Strategic Objectives

The strategic objective of Klaipėda State University of Applied Sciences for 2021-2023 was to train highly qualified specialists, develop applied research activities and meet the needs of the region's development.

The values of the strategic objective (effect) evaluation criteria planned for 2021 were achieved by 92.52%. (Table 1).

Table 1. Strategic objective (effect) evaluation criteria and their values

Name and measurement unit of the evaluation criterion	2020 (actual)	2021 (planned)	2021 (actual)
Effect criterion			
Percentage of graduates employed 12 months after graduation out of all graduates who have graduated and are not continuing their studies (%)	85.33	85-90	82.83
Funds received from research and experimental development (thousand Eur)	305.339	330-460	289

In the 2021-2023 Strategic Action Plan, three programmes were identified, as well as their quality objectives, tasks, evaluation criteria and their values, which in turn were integrated into the KVK 2021 Action Plan. The results of the KVK Strategic Action Plan achieved in 2021 are provided in Table 2, and the results of the KVK annual performance achieved in 2021 are explained in detail in the chapters of the report.

Table 2. Evaluation criteria of the implementation of the objectives and tasks of the programmes of the 2021-2023 Strategic Action Plan of KVK and their values for 2020 and 2021

Name and measurement unit of the evaluation criterion	2020 (actual)	2021 (planned)	2021 (actual)
Programme 1. Training highly qualified specialists that meet the needs of the labour market			
Objective. To train highly qualified specialists that meet the needs of the labour market			
Percentage of employers who have positively evaluated the preparation of the professionals being trained for the labour market (%)	88.33	89-90	91.6
Task 1.1. To ensure high-quality student-oriented studies			
Percentage of the student market compared to the total number of students enrolling into higher education institutions in Western Lithuania (%)	47.56	42-45	49.02
Student satisfaction with the studies (%)	78.6	77-80	85.9
Percentage of students having graduated on time (%)	57.33	57-60	60.04
Percentage of study programmes accredited for the maximum period out of the total number of assessed and accredited study programmes (%)	83.6	85-90	90
Funds invested in modernising and equipping the physical infrastructure of study programmes (% of annual budget)	4.7	3.43	7.8
Ratio of teachers with degrees in science to the total amount of full-time positions held by teachers (%)	18.8	19-21	21.12
Percentage of students who came from abroad for full-time studies out of the total number of students (%)	1.47	0.9-1.2	2.2
Percentage of teachers coming to teach from abroad out of the total number of teachers (%)	13	20-35	31.3
Programme 2. Developing applied research activities			
Objective. To develop applied research activities			
The share of funds received from applied research activities per one full-time position of a teacher (EUR)	2182	2500-3500	2010
Task 2.1. To ensure the competitiveness and quality of applied research			
The share of commercial applied research out of the total number of applied research studies (%)	24.56	20-25	23.21
Ratio of the teachers' scientific publications in international databases to the total number of teachers' publications (%)	55.95	55	57.73
Task 2.2. To ensure high-quality adult continuing training and education services as well as consultancy activities			

Funds received from adult continuing training and education services as well as consultancy activities (thousands Eur)	125.53	110-140	106.26
Number of students who have completed adult continuing training and education programmes (individuals)	2188	2000-2300	1246
Programme 3. Organization development			
Objective. To ensure continuous organization development			
Evaluation of the KVK operation based on the GAM model (points)	81.21	80-82	84.58
Task 3.1. To increase the efficiency of the KVK management			
KVK income-cost ratio (%)	108	102	104
Total floor area (m ²) per student	10	10	10
Income from rent, accommodation and other services (EUR thousand)	357	370-400	397
Task 3.2. To develop staff competence, motivation and leadership			
Funds dedicated to the development of one staff member (EUR/staff member)	131.06	100-350	304.31

Thus, the achievability of the values of the evaluation criteria of the KVK 2021 Strategic Action Plan was 96.7% and the implementability of the KVK 2021 Action Plan was 96.21%.

The amount (appropriations) planned for the implementation of the operational priorities in 2021 was EUR 5446 thousand from the state budget, and the actual expenditure amounted to EUR 6578 thousand (including funds not from the state budget). In Table 3, the planned and actual appropriations for the implementation of the operational priorities in the 3 programmes are provided.

Table 3. Appropriations for operational priorities in 2021 (EUR thousand)

Priority name	2021 (planned)	2021 (actual)
High-quality studies in compliance with the provisions of the European Higher Education Area and the needs of the labour market (01 01)	3240	3971
Compliance of applied research activities to the sustainable development of the country/region (01 02)	1117	993
Continuous organisational development (01 03)	1089	1614

A detailed report of the KVK income and expenditure is provided in Section 5, Subsection 5.2.

1.2. Management and Structure

Functionality and Effectiveness of the Internal Quality Assurance System. In order to ensure the monitoring and continuous improvement of the Quality Management System, QMS improvement activities were implemented in 2021 by employing the quality policy and set objectives, carrying out audits, managing corrective and preventive actions and risks, conducting a detailed analysis of collected data and an evaluative analysis of the internal control system and management.

Risk and Opportunity Management. At KVK, QMS processes are being developed and implemented taking into account risks and opportunities in accordance with the approved QMS procedures. The effectiveness of the management of risks and opportunities during the reporting period was assessed by the KVK management on 14 February 2022 (Minutes of the Evaluative Analysis Meeting of the Management No. KVS-02), resulting in the conclusion that the main measures planned for the management of risks and opportunities had been implemented effectively.

Improvement of QMS Processes. During the reporting period, a number of procedures in QMS processes were updated to achieve operational effectiveness, improve the satisfaction of stakeholders and attain effective management of risks and opportunities. In the *Strategic Management Process Group*, the Internal Control Policy has been prepared. In the *Study Process Group*, the Academic Code of Conduct, the Description of the Procedure for the Payment, Refund and Recovery of Tuition Fees, and the Adaptation Programme for First Year Students have been updated. The following new documents have been prepared: Description of the Procedure for Psychological Support, Description of the Procedure for Monitoring Student Progress and Providing Academic Support. In the *Management Process of Applied Research Activities*, the Regulations of the Research

Council have been updated. In the *Management Process of Adult Education and Training*, the Description of Quality Assurance and Evaluation of Adult Education and Training Services has been updated. In the *Management Process of the Teaching Staff*, the Procedure for the Compilation and Remuneration of the Full-Time Workload of the Teaching Staff has been updated. In the *Management Process of External Communication*, the Regulations of the Public Relations Department have been updated.

Results of the Feedback from Stakeholders. In order to meet the needs of key stakeholders, the following was performed in KVK during the reporting period: *Survey of the Student Satisfaction with the Quality of Studies; Student Surveys on Subject Studies* in the spring and autumn semesters; *Graduate Satisfaction with Studies and Employability Assessment; Opinions of the Employers on the Readiness of the Graduates of the Klaipėda State University of Applied Sciences for the Labour Market, and Surveys on the Employee Satisfaction with Work*. The collected and analysed feedback data for 2015-2021 reveals the increasing satisfaction of students and graduates with the quality of studies, stable job satisfaction of employees, and the growing indicators of employers' assessment of the readiness of graduates of Klaipėda State University of Applied Sciences for the labour market.

Ensuring Academic Ethics. A new Academic Ethics Commission was elected in 2021 by the Klaipėda State University of Applied Sciences for a 5-year term and approved on 14 April 2021 by the protocol decision No. SV1-03 of the Academic Council. During the reporting period, the Academic Ethics Commission examined one complaint on the academic actions of the academic staff and did not establish a violation of the provisions of the KVK Code of Academic Ethics. No complaints were received from the Office of the Ombudsperson for Academic Ethics and Procedures and no investigations were carried out.

Results of Internal and External Audits of the QMS. QMS internal and external monitoring audits were planned and conducted in 2021. During the *Internal Audit of the QMS, Strengths and Areas for Improvement in the Quality Management System* were identified. During the *External Certification Renewal Audit, no non-Compliance or Notes have been established. The Decision of 2 June 2021 of the Audit Manager, following the Certification Renewal Audit – it is recommended to certify the Quality Management System for another three-year cycle*. The Quality Management System of KVK was re-certified on 10 June 2021 for the following three-year cycle until 28 June 2024.

Results of the Management Evaluative Analysis. The results of the management's self-evaluation using the GAM 2020 instrument revealed the most developed areas and areas to be improved in the quality management system. The KVK management, having conducted the management evaluative analysis and taken into account the fact that KVK has achieved the planned quality objectives, implemented the planned QMS improvement activities, and that it is managing the QMS processes, risks and opportunities effectively and efficiently, stated the following: The KVK QMS is appropriate, adequate and effective (Minutes of the Evaluative Analysis Meeting of the Management No. KVS 02 of 14 February 2022).

Management and self-governance bodies. The collegial management bodies of the Klaipėda State University of Applied Sciences are the *KVK Council* (Council), the *KVK Academic Council* (Academic Council) and a single-person governing body – the *Director*.

The following self-governance and advisory bodies operate at KVK: The KVK Management, the Directorate, the Dean's Office and the Research Council, the Labour Council, and the KVK Students' Representative Office.

Structure. The KVK organisational management structure was approved by the protocol decision of the Council of Klaipėda State University of Applied Sciences on 28 August 2019 (Protocol No. V19-07) and is available on the website at: <https://www.kvk.lt/kolegija/struktura/>.

Making the information about KVK public. Information about KVK and its operation is clear, accurate and accessible to the community and the public, and will be regularly provided to the Founder. The main operational documents (plans, reports, procedures and other documents) and information for enrollees, students and members of the public are available on the KVK website at www.kvk.lt. KVK administers the "Moodle" learning environment and is a member of EDINA and "Karjera.lt". KVK is publicised continuously through different marketing and communication tools. The effectiveness of the communication channels is evaluated each year by conducting surveys of visitors and target audiences, and analysing the attendance and engagement with the channels.

1.3. Staff Composition and Qualification Improvement

In 2021, there were 283.30 full-time staff positions at KVK. KVK staff consisted of 344 employees, out of them, 206 teachers (50.76% in terms of full-time positions). On 1 October 2021, the total number of full-time teaching positions at KVK was 143.80 (206 teachers: 43 men and 163 women). Compared to the number of full-time teaching positions in 2020, it grew by 3.72 full-time positions as the number of students increased. The average age of teachers remains with little change – 48.31 years. The number of full-time positions and employees in other staff groups has remained very similar. The average age of administrative staff is 42.31 years. The number of maintenance staff was reduced by 4.25 full-time positions in 2021.

One KVK staff member was allocated an average of EUR 304.31 in 2021. In 2021, 96.80% of the administrative staff underwent qualification improvement.

At KVK, staff qualification improvement events on document management, psychological resilience, and GDPR were organised as well as English language courses using the “Microsoft Teams” platform and “Imperial English” e-learning tools.

To sum everything up, it can be stated that the criteria values set for 2021 for the achievement of KVK strategic objective were achieved by 96.7%, and the annual plan was implemented by 96.21%. The management structure, staff composition, information management and quality management system are effective and meet the requirements of LST EN ISO 9001:2015, the management system standard and of the Law on Science and Studies of the Republic of Lithuania, as well as the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG). The KVK QMS is appropriate, adequate and effective.

2. STUDIES AND LIFELONG LEARNING

2.1. High-quality Student-Oriented Studies

The evaluation criteria for the implementation of the strategic objective of the KVK 2021-2023 Strategic Action Plan programme “Training highly qualified specialists that meet the needs of the labour market” – to ensure high-quality student-oriented studies, the planned and obtained values of the criteria are provided in Table 4.

Table 4. Evaluative implementation criteria of high-quality student-oriented studies and their values

Name and value of the evaluation criterion	2020 (actual)	2021 (planned)	2021 (actual)
Percentage of the student market compared to the total number of students enrolled into higher education institutions in Western Lithuania (%)	47.56	42-45	49.02
Student satisfaction with the studies (%)	78.6	77-80	85.9
Percentage of students having graduated on time (%)	57.33	57-60	60.04
Percentage of study programmes accredited for the maximum period out of the total number of assessed and accredited study programmes (%)	83.6	85-90	90
Funds invested in modernising and equipping the physical infrastructure of study programmes (% of annual budget)	4.7	3.43	7.8
Ratio of teachers with degrees in science to the total amount of full-time positions held by teachers (%)	18.8	19-21	21.12
Percentage of students who came from abroad for full-time studies out of the total number of students (%)	1.47	0.9-1.2	2.2
Percentage of teachers coming to teach from abroad out of the total number of teachers (%)	13	20-35	31.3

The analysis of the planned and actual 2021 evaluation criteria values reveals that the planned values of all criteria were achieved. A comparison with 2020 shows a significant increase in student satisfaction (6.8%), in the share of study programmes accredited for the maximum period out of the total number of evaluated and accredited study programmes (6.4%), and in the ratio of teachers with doctoral degrees to the total number of full-time teacher positions (2.32%). More details on the obtained values are provided in other subsections of the section.

Study programmes. In 2021, the KVK was offering 23 study programmes in 21 fields of study in seven groups of fields of study (Health Sciences, Social Sciences, Educational Sciences, Engineering Sciences, Computer Sciences, Technological Sciences, Business and Public Management). After having assessed the market demand, a study programme Midwifery in the field of study Nursing and Midwifery has been prepared and will start to be offered on 1 September 2022. After finishing the studies, a professional bachelor’s degree in the group of fields of study and qualification (if applicable) will be awarded.

From the analysis of the results of the external evaluation of study programmes of 2019-2021, it can be seen that the ratio of the number of study programmes accredited for the maximum period to the total number of registered study programmes has increased and amounts to 90% (in 2020 – 83.6%).

Self-evaluation summaries for the fields of studies Tourism and Recreation and Business were prepared for external evaluation in 2021. These fields of study will be evaluated in Q1 2022.

After having conducted an annual effectiveness analysis of the study programmes in 2021, it was established that most of the study programmes are economically viable except for: the study programmes of Dietetics, Tourism Business, Digital Marketing Communications, Mechanical Engineering, Digital Geodesy, Informatics, Informatics Engineering and Food Technology. Taking

into account the results of the effectiveness analysis of the study programmes, an enrolment plan for 2022 has been prepared and measures have been planned to improve the study programmes and increase their economic viability.

During the analysed period, there was an increase in the overall student satisfaction with their studies; the share of students who positively evaluated the use of active teaching/learning methods in the study process and the share of students who positively evaluated the cooperation with lecturers. Meetings were held with social partners by organising roundtable discussions and individual meetings.

In 2021, more funds were invested in modernising and equipping the physical infrastructure of the study programmes (3.43% of the annual budget was planned and 7.8% of the annual budget was allocated). Two laboratories in the field of Pedagogy and a Nursing Simulation Centre (NSC) were set up and put into operation, and a new Energy Efficiency Research Laboratory was set up. Studies in the field of social work were moved to renovated rooms at Bijūnų g. 10, and a new Introspection (mirror) room was set up for the development of skills and body language of students in the field of study of social work.

In the library departments, an independent study centre and six reading rooms with 283 workstations, 145 of which are computerised operate (118 workstations at the Faculty of Business, 52 of which are computerised; 108 workstations at the Faculty of Technology, 68 of which are computerised (the number of workstations increased by 40 workstations compared to 2021); 57 workstations at the Faculty of Health Sciences, 25 of which are computerised). The total area of the premises of the KVK library is 1181 m².

For the organisation of the study and research process, the traditional document fund was supplemented in 2021 by the following: 751 physical items / 344 titles of documents; 32 titles of sets of periodicals were received (25 titles in Lithuanian, 7 titles in foreign languages), of which 16 have e-access. As of 31 December 2021, the library's fund consists of 102,270 physical items of documents.

In 2021, the number of library electronic resources increased by as much as 47%. In total, KVK users had access to 235,240 titles of full-text e-books (15,234 titles in 2020). 1,852 titles of e-books from Lithuanian publishers are subscribed. The offer of scientific journals and other continuing publications in the subscribed databases remained similar (increased by 4%). In total, users had access to 16,877 titles of full-text scientific journals.

In total, the Library was subscribed to 19 databases during the reporting period, the majority of which (13) via the LMBA project "eMoDB.LT3" paying only a co-financing fee, and six databases at its own expense.

In 2021, EUR 54 thousand was spent on the purchase of information resources, which is a 22% increase compared to 2020. Out of these funds, EUR 18,238 were allocated for the purchase of new books and other documents, EUR 5,233 for subscriptions to periodicals, and EUR 30,547 for subscriptions to electronic resources (books and databases of scientific journals). Approximately EUR 23.5 was spent on information resources per student.

Student admissions and their fluctuations. In 2021, KVK announced admission to 23 study programmes. Students were admitted to 22 ongoing study programmes. At the end of the general and additional admissions, 913 students were admitted (13% less when compared with 2020). The number of students admitted in 2021 has decreased by 13%. The biggest change in the number of admitted students in 2021 was in the groups of fields of study in Business and Public Management, Health and Social Sciences.

In 2021, the average competition score of students admitted to KVK via LAMA BPO to state-funded study places was 5.84 (5.75 in 2020), for non-state-funded study places – 4.47 (4.43 in 2020).

When analysing the 2021 admission results by fields of study, the majority of students admitted to the field of study of Nursing and Midwifery, Pedagogy, Business, Rehabilitation and Civil Engineering. The popularity of these fields of study has remained unchanged for two years in a row.

The number of state-funded study places at KVK in 2021 has decreased by 6% compared to 2020. KVK remained the eighth among the higher education institutions with the highest number of state-funded study places and the third among the universities of applied sciences with the highest number of state-funded study places.

In 2021 at KVK, there were 42% and 58% of students studying in state-funded and non-state-funded study places respectively. The number of students studying in part-time study form at KVK has continued to decline and currently amounts to 9.3% (in 2020 – 13%) out of the total number of students.

The total number of students dropping out during the first year of study increased by 4.2% in AY 2020-2021 compared to AY 2019-2020, currently, it is 26.07%. The main reasons for dropping out during the first year of studies are personal, i.e. students dropped out voluntarily (9.2%) and due to underperformance (6%).

During the reporting year, 689 students completed their studies. The rate for the students who completed their studies on time in the class of 2021 slightly increased up to 60.04%, compared to the class of 2020m this value has increased by 2.71%. The number of students who graduated within the shortest planned period of study is higher for state-funded study places and is 76.98% (2020 – 73,99%). Students do not complete their studies on time for a variety of reasons: termination of study agreements, academic vacation, transfer to another school, change of study programme, etc.

Student support. Student support is ensured through active cooperation with the State Studies Foundation, the Ministry of Education, Science and Sport, and the implementation of joint projects. The following types of support are used at KVK: State-Supported Loans, Social Scholarships, Study Scholarships, Tuition Fee Reimbursement, Support for Disabled Students and Incentive Scholarships.

During the reporting year, 8.6% of students received state-supported loans (9.7% in 2020). The number of students applying for state-supported loans is increasing every year.

The number of students receiving various types of scholarships in 2021 was 58.3%. The number of students receiving various types of support increased by almost 30%.

From the autumn semester of 2020, the State Studies Foundation, together with KVK, started to administer support for students of pedagogical studies through a monthly scholarship of EUR 300. The number of such scholarships for first-year students of pedagogical studies at KVK has increased from 45 to 105.

Starting from AY 2020, the Ministry of Economy and Innovation has established targeted incentive scholarships of EUR 200 for students who selected studies relevant to the development of Lithuania's regions, such as computer science, mathematics and engineering. 71 scholarships have been awarded by the Ministry of Economy and Innovation to first-year students at KVK. In total, 130 students are receiving these scholarships.

In 2020, Klaipėda City Municipality established EUR 100 scholarships for gifted and talented first-year students in the groups of fields of study of Informatics, Engineering and

Technologies of Klaipėda higher education institutions. In 2021, there were a total of 29 scholarships granted, of which 14 (10 in 2020) were awarded to first-year students of KVK.

KVK provides not only financial but also non-financial support for students: career management services; consultations on assurance of studies to the disabled; consultations from teachers on the subject, etc.

The results of the student satisfaction survey conducted in 2021 revealed that KVK students are satisfied with the access to information on career guidance services and the availability of financial support.

Employment of graduates and career-monitoring. 689 students graduated from KVK in 2021 (in 2020 – 629 students). Data on the employment of graduates one year after the completion of studies were analysed using the objective monitoring data from the KVIS system (data obtained from inter-departmental registers).

KVK employment rates of graduates have slightly worsened: 71% of graduates found employment during 2020, i.e. 6% less than during 2019. The decline in the number of employed graduates is attributed to the impact of the COVID-19 pandemic situation on the labour market.

To obtain more accurate data on KVK graduates, subjective monitoring of careers of graduates was conducted (a graduate survey). In the survey conducted in 2020, 82% of respondents identified themselves as employed (85% in 2019), while 2% of graduates identified themselves as working in EU and non-EU countries (7% in 2019). The graduate survey also revealed that 2020 graduate satisfaction with studying at KVK is increasing and was given a score of 5.48 (5.23 in 2019) (out of 7). Graduates have positively evaluated the study conditions (score of 5.5 (the previous one was 5.25)) and knowledge, they also consider the skills acquired during the studies as marketable in the labour market (score of 5.24 (the previous one was 5.18)).

2.2. Internationalisation of Studies

In order to develop the internationalisation of KVK studies and to improve the quality and competitiveness of higher education studies, the “2021-2023 Internationalisation Strategy” has been prepared and started to be implemented.

In 2021, the Ministry of Education, Science and Sport granted KVK the right to academically recognise the education and qualifications related to higher education and acquired under educational programmes of foreign states and international organisations. During 2021, qualifications acquired by 13 individuals abroad were evaluated and recognised.

The number of foreign nationals in the studies delivered in English at KVK has been consistently increasing. In 2021, 55 foreign students were studying full-time in English (38 students in 2020). The number of foreign students studying full-time in a foreign language has been increasing and was 2.2% of the total number of KVK students (1.47% in 2020).

In 2021, compared to the previous year, a more active internationalisation was noted: 188 members of the KVK community (107 students and 81 staff members) participated in the mobility programme (119 community members in 2020).

Student mobility. Under the Erasmus+ programme, 119 students came to KVK in 2021 for part-time studies and 12 students for internships, and it is an increase of 34% compared to 2020. In 2021, 12 students from KVK used the Erasmus+ programme for part-time studies and 95 students – for internships in foreign higher education institutions and business organisations (which is 55% more than in 2020). The total mobility of KVK students in 2021 amounted to 4.3% of the total number of KVK students (this value was 2.7% in 2020).

Staff mobility. In 2021, 81 staff members participated in staff mobility at KVK (50 in 2020). In 2021, 9 out of 81 outgoing mobility visits of KVK staff were organised remotely. 44 KVK members of the teaching staff and 37 members of the administrative staff travelled to foreign higher education institutions for teaching and learning. 66 members of the teaching staff and 47 members of the administrative staff from foreign higher education institutions visited KVK for teaching and learning.

KVK students were taught by teachers from abroad under funding received from the Ministry of Education and Science, e.g. Prof. Stanislav Ivanov from Bulgaria gave a series of lectures to the students of the study programme Tourism Business.

2.3. Composition and competence development of the teaching staff

On 1 October 2021, the total number of full-time teaching positions at KVK was 143.80. Compared to the number of full-time teaching positions in 2020 it grew by 3.72 full-time positions due to the increase in the number of students. The distribution of teachers by position held changed only insignificantly. Teachers holding a position of a lecturer accounted for the largest share of the teaching posts at KVK (79%). Those holding positions of an associate professor accounted for 18.86%, of an assistant – for 1.62% and of a professor – for 0.52% of the total number of teaching posts.

New young lecturers join the teaching staff of KVK annually, so the average age of teachers has remained similar to what was recorded in 2019 – 47.45 years. The average age of administrative and teaching staff is 46.01 years. The majority of the members of the teaching staff are aged between 35 and 49.

During the reporting year, 118 teachers were engaged in improving their teaching/learning competences, 102 – their research competences, 103 – their generic competences and 164 – their subject competences. At KVK, training for teachers was organised. Funds for the development of the qualification of the KVK staff were allocated not only from the State budget but also from special funds, project funds and other sources.

The number of posts of lecturers with a doctoral degree has been increasing every year for the last three years: 24.14 full-time positions in 2019, 26.34 in 2020 and 30.37 in 2021. During the reporting year, the number of teachers with doctoral degree increased by 2.32%.

Ratio of teachers with degrees in science to the total amount of full-time positions held by teachers (18.8% in 2020).

KVK teachers improve their qualifications through doctoral studies. In 2021, 11 KVK teachers (8 teachers in 2020) were pursuing doctoral studies. In 2021, Salomėja Šatienė and Diana Šateikienė have defended their dissertations.

2.4. Adult continuing education and training activities

In order to ensure high-quality adult continuing education and training services as well as consultancy activities in 2021, the following measures were planned: improving the portfolios of adult continuing education and training as well as consultancy services; providing high-quality adult continuing education and training as well as consultancy services.

The funds received from adult continuing education and training services, as well as consultancy activities, were slightly lower than planned (planned: EUR 110-140 thousand; received: EUR 106.26 thousand).

During the reporting year, 35 different training programmes/practical training were conducted. 25% of teachers participated in adult continuing education and training activities at KVK.

In 2021, the funds received from adult training and education as well as consultancy activities were distributed by faculties as follows: Business – EUR 25,118; Health Sciences – EUR 40,512.48; Technologies – EUR 40,633.

During the reporting period, consultancy activities were conducted with the participation of 34 teachers. The funds received from consultancy activities amounted to 58,2% of the planned funds. The goal for the total number of consultations was reached: 61 consultations were carried out. The achievement of the planned results was disrupted by the quarantine announced due to the global COVID-19 pandemic, which changed the situation of market players in planning budgets of companies/organisations.

The funding received from the Ministry of Education, Science and Sport for scientific research, experimental development and artistic activities, consulting and adult continuing education and training activities has been increasing every year (EUR 48.3 thousand in 2019; EUR 119.7 thousand in 2020; EUR 227.9 thousand in 2021), this allows stating that KVK provides high-quality and high-demand adult continuing education and training services and consulting activities.

Summing up, it can be stated that the number of study programmes accredited for the maximum period at KVK, the results of student satisfaction with their studies increased, the number of students graduating on time and the number of students dropping out increased by 4.2% compared to the previous year.

The employment of graduates and career-monitoring reveals a decrease in employment rates (71% according to KVIS data).

The annual funding available for activities under the Erasmus+ programme provides an opportunity to improve mobility results. In 2021, international activities have become significantly more active and a high number of outgoing individuals was achieved.

The competence of the KVK teaching staff meets the requirements established for a higher education institution. The number of Doctors of Science is increasing every year. Teachers improve their competences every year individually and through general training courses at KVK. The average age of the teaching staff at KVK is 47.45 years.

KVK ensures the diversity and quality of services offered. Due to the COVID-19 situation in the country, the funds received from consulting activities and the number of students attending continuing training and education programmes decreased.

Issues of study and lifelong learning activities and insights into their solutions.

High rates of students dropping out during the first year of studies.

- to improve extensive support for first-year students;
- to implement innovations into the study process;
- to improve the competence of the teaching staff;
- to improve the study environment.

Decrease in funds from consulting activities and the number of students:

- to develop publicity and sales opportunities;
- to carry out vocational training programme(s);
- to improve cooperation with the Employment Service.

3. APPLIED RESEARCH ACTIVITIES

The objective of the second programme of KVK 2021-2023 Strategic Action Plan “Developing Applied Research Activities”, is to develop applied research activities. The evaluative criterion of the objective is the share of income received from applied research activities per one full-time position of a teacher, EUR. The planned value of the criterion in 2021 was EUR 2,500-3,500, the result was 2,010.

One of the tasks for the implementation of this objective is to ensure the competitiveness and quality of applied research. The following measures were planned to achieve this objective: increasing the commercial volume of applied research; developing high-quality applied research activities in academic departments.

Applied research conducted at KVK is focused on defined research and development (R&D) priorities and topics: Sustainable Environment, Food Technologies, Information Technologies, Health Technologies, Inclusive and Creative Society, based on which researchers for these activities are brought together.

In order to encourage researchers to work more closely with social partners in developing applied research activities and implementing their ideas, KVK organised the sixth Applied Research Ideas Competition “Sustainable Environment – Healthy Society” in 2021. KVK has allocated EUR 5,000.00 for the implementation of the two ideas (*Environmentally Friendly Packaging; Developing and Using a Mobile Application for Effective Self-Monitoring of Patients' Oral Health*) selected by the ARA Ideas Competition in 2021.

KVK conducts a quantitative and qualitative evaluation of Applied Research Activities (ARA). The 2021 quantitative evaluation of ARA was based on the following criteria: the share of commercial applied research out of the total number of applied research studies (%); the share of income from applied research per one full-time teacher position (EUR); ratio of the teachers' scientific publications in international databases to the total number of teachers' publications (%). The qualitative assessment of ARA is carried out in three areas, depending on the scientific field and the evaluation values: applied research and experimental development (their compliance with R&D stages), distribution of publications (in what outlets), and presented scientific papers (at conferences of what level).

In 2021, a total of 56 applied research activities were conducted. Twelve applied research studies were conducted in collaboration with foreign partners, 25 with different social partners, students participated in 21 of them. 18 out of the 56 studies are experimental development works, i.e. developed and applied methodologies and products.

17 commissioned applied research studies were conducted (13 of them commercialised). Applied research studies are conducted and their results are applied in all fields of study, moreover, not only applied research but also experimental development activities are conducted, i.e. Second to seventh R&D stages (Appendix 17.1).

In 2021, commissioned applied research studies generated EUR 32,683.50. The funds were received as a result of thirteen assignments received from companies in the region: assignments from the State Studies Foundation (EUR 21,661.5), an assignment from Klaipėda City Municipality Administration (EUR 2,700), and assignments from business enterprises (EUR 8,322).

The results of the applied research activities of the teaching staff are made available to the public through conferences in Lithuania and abroad and in various scientific publications. In 2021, 76-84 publications of KVK teaching staff were planned to be published. More publications than were planned were prepared during the analysed period (97 publications).

In 2021, six papers were published – research papers, two conference proceedings, an educational book and a monograph with foreign partners. In 2021, KVK published one scientific journal, which is included in international databases: Scientific Papers “Sustainable Environmental Development”, last issue – 2021 No.1 (18). The annual conference proceedings “Studies – Business – Society: Present and Future Insights” (2021, 1(V)) have also been published and have been included in international databases since 2020.

The teaching staff is encouraged to publish their articles on the Web of Science and other international periodicals included in international databases, preferably in foreign outlets. KVK allocated EUR 8,540 as an incentive for the teaching staff for 2021 publications, with the excellent result that 7 out of 97 publications were published in publications included in the Web of Science databases.

The KVK teaching staff was active in presenting papers at conferences and seminars (155 presentations). In order to increase the publicity and quality of researchers’ presentations, the teaching staff is recommended to be more active in presenting papers at conferences abroad.

5 conferences were organised at KVK. The conferences were organised in collaboration with social partners. More than 2,000 people participated in the conferences on-site and remotely.

Summarising the area of applied research activities, it can be stated that the unity of science and studies is ensured at KVK – studies are based on applied research activities and experimental development. The teaching staff carries out research, demonstrates its results through the study process, publish and present them at conferences both in Lithuania and abroad. Applied research activities are in line with the needs of the region – research and publications are carried out in collaboration with social partners, students are engaged as well. The share of income from applied research activities per full-time teaching position (EUR 2,010) is lower than planned, but high enough in the context of the global pandemic caused by COVID-19. The objective of increasing the commercial volume of applied research remains due to the aim for a higher research-business collaboration outcome.

Issues of applied research and insights into their solutions.

Insufficient development of research-business interaction (collaboration):

- to increase the commercial volume of applied research;
- to increase the awareness of the KVK R&D activities.

4. STRATEGIC PARTNERSHIPS AND REGIONAL IMPACT

4.1. Strategic partnerships and project activities

The KVK mission, vision, strategic objective and priorities are in line with the economic, cultural and social national and regional developmental priorities. The KVK activities have a major impact on companies, organisations and communities operating in the municipal areas of Western Lithuania.

The national and regional impact measures, performance evaluative criteria and their values planned in the KVK SAP and Annual Action Plan (hereinafter referred to as AAP) for 2021-2023 are provided in Table 5.

Table 5. National and regional impact measures on Western Lithuania and effectiveness criteria of Klaipėda State University of Applied Sciences

National and regional development priorities on which KVK focuses its operation				
<i>Smart society:</i> development of an independent, creative and responsible individual; formation of a civil society that creates its own identity; reduction of poverty and increasing the social well-being and engagement of the population.				
<i>Smart Economy:</i> ensuring that human resources are in line with the needs of the labour market; development of research promoting the country's sustainable development and international competitiveness; transition to economic growth based on high added value and innovations.				
<i>Smart governance:</i> sustainable and balanced regional development; strengthening effective, smart and high-quality public management (Source: 2021-2030 National Progress Plan, 2020).				
<i>Advanced industry economy:</i> addressing the regional shortage issue of specialists and competences in specific professions (the field of engineering industry); ensuring opportunities to obtain competences relevant to the market at various stages of life.				
<i>Creative and service economy:</i> fostering a culture of continuous learning; development of digital creative and professional services (Source: Klaipėda 2030: economic development strategy and implementation action plan, 2018).				
Measures of influence on the regional development	Criteria for evaluating the effectiveness of the national and regional impact	Values		
		2019 (actual)	2020 (actual)	2021 (planned/actual)
1. Communication/transmission of the results of applied research activities	1.1. Number of contracts for commissioned (commercial) applied research activities, pcs	13	14	10-15/13
	1.2. Number of papers presented by the teaching staff at conferences in Lithuania, pcs	149	117	90-110/123
	1.3. Number of applied research studies carried out in collaboration with social partners, pcs	20	22	20-25/25
2. Provision of highly skilled specialists with the right competences and qualifications to the region	2.1. Percentage of the student market compared to the total number of students enrolling into higher education institutions in Western Lithuania, %	34.52	47.56	42-45/49.02
	2.2. Percentage of graduates employed after one year, %	85	85.33	85-90/82.83
	2.3. Number of students who have completed adult continuing training and education programmes, individuals	2798	2188	2000-2300/1246
3. Development of characteristics of the social and cultural climate	3.1. Number of strategic partners, pcs	110	123	105
	3.2. Percentage of members of KVK community (teaching staff) who participated in volunteering activities, %	22.33	26.8	10-15/22.03
	3.2. Percentage of members of the KVK community (students) who participated in volunteering activities, %	10.44	7.7	7-10/7.1
	3.3. Number of KVK events organised and attended, pcs	120	63	87
	3.4. Provision of special (free) consultations outside KVK, pcs	124	22	40
	3.5. Percentage of topics of final theses (outsourced) relevant to the regional development out of the total number of final theses (%)	118 (pcs)	126 (pcs)	30-40/38.63%

During the reporting period, the implementation analysis of the regional impact measures reveals that KVK has effectively implemented the established measures. Due to the global pandemic and other objective reasons, only two criteria were not achieved: the number of students in adult continuing education and training programmes and the percentage of graduates employed after one year.

The strategic partnerships under development strengthen the cooperation between KVK and the stakeholders, improve the quality of higher education and promote innovation. In 2021, KVK updated or signed 19 new cooperation agreements and recorded 437 ongoing cooperation agreements. The number of KVK active strategic partners was 105. The main areas of development in strategic partnerships are as follows: academic partnerships, applied research partnerships, business relations and project partnerships, social partnerships and support partnerships.

Through strengthening its relations with business organisations and improving its brand value, KVK became a member of the BNI “Neringa” club in December 2019 and renewed its membership for 2021 in December 2020.

The KVK partner network abroad includes 30 countries and over 200 higher education and business organisations. One of the key conditions for the internationalisation of studies is the creation of a platform for student and teacher exchange. The Erasmus+ programme allows the developing of a circle of partners among higher education institutions and organisations in European countries and participating in the EAEC (European Association of ERASMUS Coordinators) operation.

Project activities. KVK actively participates in the absorption of funds from various international and national funds and programmes and develops its network of project partners. In 2021, 5 national and 12 international project applications were submitted (both as an applicant and partner). Funding was granted to 3 projects out of all the applications submitted. During the analysed period, 19 projects were being carried out: 13 were international projects and 6 were national projects. 13 projects were carried out by KVK as a partner and 6 projects – as an applicant. During 2021, 4 projects that had been being carried out were successfully completed (3 national and 1 international project). During the reporting period, EUR 155,000 was received from external sources for the execution of projects, and funding was approved for projects with a total value (for the 2020-2021 implementation period) of around EUR 1.5 Million.

In terms of the type of requested funding, European Commission projects prevail, a smaller share of projects is funded through local initiatives under the Government and municipal special programmes.

4.2. Communication/transmission of the results of applied research activities

Research and business partnerships and joint research activities with innovation and knowledge-receptive business and technology enterprises, healthcare and social welfare institutions are promoted at KVK. Applied research studies proposed and carried out are focused on applied research areas and directions (R&D priorities).

Applied research activities carried out at KVK are presented to the public during science-popularisation events: “Researchers’ Night”, the science festival “Spaceship Earth”. The applied science idea competition “Sustainable Environment – Healthy Society” was implemented, and its results were presented and made public during the events. In 2021, two applications were submitted and both ideas were implemented (“Environmentally Friendly Packaging”, “Developing and Using a Mobile Application for Effective Self-Monitoring of Patients' Oral Health”. More information on the implemented ideas can be found at: <https://www.kvk.lt/mokslas/taikomasis-mokslas-ir->

[tyrimai/realizuotos-taikomojo-mokslo-idejos/](#)). KVK funds were allocated for the implementation of the aforementioned projects.

International scientific and practical conferences are organised annually, one of them is “Sustainable Environmental Development: Innovative Technologies”, where the results of sustainable environmental development are presented not only by colleagues from Lithuania but also by research partners from abroad. KVK publishes an open-access scientific periodical – Sustainable Environmental Development, where authors from various organisations and countries publish their not only theoretical but also practical results. The teaching staff participates annually in various global scientific events and publishes research results in international journals.

More information on the results of applied research activities, their communication and transmission to stakeholders is provided in Section 3 of the report.

4.3. Provision of highly skilled professionals to the region

According to the data provided by LAMA BPO (2021), the KVK market share by the number of students admitted to first-cycle studies at higher education institutions of the Western Lithuania region was 49.02% in the reporting year.

In 2021, the KVK market share by the groups of fields of study increased in almost all groups of fields of study compared to 2020 (it decreased only in the groups of the field of study Social and Health Sciences). Mostly, the market share increased in the fields of study Engineering and Education (25% on average).

The study programmes implemented at KVK are focused on obtaining practical skills, meeting the needs of the regional labour market, and being in line with the operational structure of economic entities operating in the Klaipėda Region.

At KVK, topics for final theses that are relevant to national and regional development are planned and included on a sufficiently large scale. In 2021, 38.63% of commissioned final theses with direct practical application were prepared and defended. Final theses of KVK students did not go unnoticed by the Association of Klaipėda Industrialists and Klaipėda City Municipality. The Association of Klaipėda Industrialists awarded two one-off scholarships and the Klaipėda City Municipality awarded five KVK graduates for the final theses addressing relevant issues of Klaipėda city and region.

The KVK adult education and training activities contribute to the provision of highly skilled professionals to the region and their requalification. In 2021, 35 different adult education and training programmes were being carried out, with 25% of the teaching staff contributing to their implementation, and the total number of graduates of adult education and training programmes amounted to 1,246.

In 2021, KVK continued to develop the area of consulting activities. It should be noted that during the reporting period, consulting activities at KVK were being conducted by 34 teachers, and 61 consultations were carried out (funds received for the consultations amounted to EUR 3,792, there were also free consultations for social partners). The majority of adult continuing education and training activities as well as funds received from these activities were in the following fields of study: pedagogy, management, informatics, civil engineering, transport engineering, nursing and midwifery, and social work (for more details, see Section 2.5 of the report).

4.4. Fostering social and cultural climate in the region

KVK is active in performing its mission by creating and fostering the social and cultural climate of the region. *By fostering the societal responsibility for the conservation of nature and other resources, KVK promotes safe and responsible consumption* at the level of divisions (faculties/departments), study programmes (the ecological aspect of sustainable development is included in the content of study programmes) and is active outside the institution. Last year, KVK organised, and acted as a partner or participant in 87 events that engaged city and regional communities. Together with the city community, KVK annually organises outdoor cleaning, support and sponsorship campaigns and contributes to the social well-being of individuals and communities. However, due to the quarantine requirements established due to the global pandemic as early as 2020, these activities have become more passive.

KVK, being open to the public, ensures that the library, sports facilities, arts and cultural venues are accessible to the regional community. On KVK premises, various scientific, cultural, sporting and wellness events during which the regional community is engaged as well are organised. For example, the library regularly hosts thematic book and art exhibitions as well as various other events (photo and painting exhibitions, trivia games, etc.), which, in 2021, were held both in the virtual and physical environment.

Physical activity is an important part of the life of the entire community at KVK. Last year, students were able to participate at KVK in the following sports activities: basketball, table tennis, indoor football, volleyball. The students performed very well at the 21st Student Sports Games of Lithuanian Universities of Applied Sciences, where the basketball team took third place and the volleyball team took fourth place.

Members of the KVK community contribute to the improvement of the situation of groups of social exclusion, increasing the tolerance of the society, and providing special services (consultations) to various external groups of social exclusion. One of the research areas is studies of health and social well-being. KVK, through collaboration with social partners, carries out activities in this area focused on reducing the exclusion of the disabled from integration in the community, and developing and/or maintenance of social and independent living skills.

In 2021, the KVK teaching staff provided 40 free consultations to companies, organisations and natural persons.

The KVK community organises and participates in various social initiatives. Compared to 2020, the level of participation of the KVK teaching staff in volunteering activities slightly decreased: 2020 – 26.8%; 2021 – 22.03%. Not only the teaching staff but also students participate in volunteering activities. They initiate, organise and participate in social campaigns and aid during various events. In 2021, approximately 7.1% of KVK students participated in volunteering activities (2020 – 7.7%). The students that are most engaged in volunteering activities are the students of the Faculty of Health Sciences (8.86%).

The KVK community is also actively engaged in the activities of external institutions – 72 teachers are members of associations, chambers, councils and commissions, both in Lithuania and abroad. KVK representatives also participated in the preparation process of the 2021-2030 Strategic Development Plan of the Klaipėda City Municipality.

The KVK Alumni Club is constantly involved in the KVK academic activities, contributes to the improvement of the study process, and participates in KVK events. In 2021, 43 individuals joined the club and currently, the club has 402 full members. Members of the Alumni Club contribute to the improvement of the study process as follows: they participate in assessments, organise competitions,

give lectures, take part in the KVK work and various discussion groups. The club also every year contributes to the engagement of the Klaipėda city youth: In 2021, applications for two projects (“Get to know the youth through film” and “Look at yourself”) were submitted for partial funding from the Klaipėda City Municipality. Of the applications submitted, the project “Get to know the youth through film” was awarded funding.

Summing up, it can be stated that KVK has established priorities for the impact of national and regional development and carries out an effectiveness assessment of regional impact measures. KVK develops strategic partnerships in the areas of academic activities, business relations and project implementation as well as social activities. The development of strategic partnerships is gaining more and more value and strengthens cooperation between KVK and stakeholders and promotes sharing innovation. KVK actively participates in the absorption of funds from international funds and programmes and is expanding its network of trusted partners both in Lithuania and abroad.

KVK is active in creating and fostering the social and cultural climate of the region. KVK is focused on sustainable regional development, aiding groups of social exclusion, and fostering openness and accessibility for local communities.

KVK is the regional leader in attracting students to Bachelor’s studies and in providing study programmes that are in demand in the labour market. KVK successfully develops a range of adult continuing education and consulting activities, applied research, and also contributes to meeting the needs of the national and regional labour market, improving human resources and creating added value.

Issues of developing strategic partnerships and their impact on the region and insights into their solutions.

KVK has identified areas of current interest to the region as well as impact measures, carries out constant monitoring of these measures, and assesses the effectiveness of their implementation. The main impact areas of sustainable regional development are as follows: preparing in-demand specialists; communication and transmission of the results of R&D activities; participation in cultural and social life; volunteering activities; engagement in the development and implementation of strategies and programmes of regional importance.

Nevertheless, certain issues also were noted for which activities have been planned.

The opportunities of the Alumni Club and international memberships in thematic organisations, which could contribute to growing the KVK brand awareness, have not been fully utilised:

- to pay more attention to the development and use of the Alumni Club to grow the KVK brand awareness;

- to increase the engagement of KVK as an organisation in the memberships and activities of international organisations.

5. INFRASTRUCTURE AND FINANCE

5.1. Infrastructure

Klaipėda State University of Applied Sciences has 36,115.07 m² of space. At KVK, there are three faculties spread over seven buildings. Student accommodation services are provided in three dormitories. The heated study area space per state-funded student is 10 m².

Main changes in the infrastructure management in 2021:

- Completion of the design task for the dormitory at Taikos pr. 16, Klaipėda, procurement of the design works, supervision of the design works, and coordination of solutions;
- Completion of the Phases I and II of the major renovation works at the Faculty of Technology, at Bijūnų g. 10, Klaipėda, completion of all legal procedures regarding the completion of construction;
- Relocation of the study base of the Department of Nursing and Social Welfare from Donelaičio g. 10 and Jaunystės g. 2 to the newly built premises at Bijūnų g. 10, Klaipėda.

Building renovation works. In 2021, KVK completed the major renovations works of a science building (un. No. 4400-3780-7720) and a sports building (un. No. 2193-7000-7021) at Bijūnų g. 10, Klaipėda. Although only the implementation of Phase I of the major renovations was planned for 2021 under the project, a decision was made to include Phase II of the major renovation works into the scope of works taking into account the KVK financial capacity and the rising cost of construction works. The total value of the major renovation works carried out under Phases I and II is EUR 1,979,353.59.

Simple renovation works were purchased at the end of December 2021 for the building at Bijūnų g. 10, Klaipėda in order to renovate the common areas: renovation of the lobby by setting up student leisure and recreation areas, renovation of the main staircases, and the installation of a reception area. The works, whose total value is EUR 234,873.67, are expected to be completed at the beginning of Q2.

The following renovation works were carried out at KVK in 2021:

- Bijūnų g. 10, Klaipėda – renovation of classrooms in order to adapt them to the needs of the Social Work Programme;
- Bijūnų g. 10, Klaipėda – design and reconstruction works of the water metering unit;
- Debreceno g. 25, Klaipėda – renovation of main hot water lines;
- Dariaus ir Girėno g. 8, Klaipėda – renovation of the pedestrian walkway pavement.

Utility costs of the buildings. In 2021, the total cost of utilities has increased by 5.78% compared to the costs in 2020. This change was caused by the lower restrictions on activities during the quarantine regime established during the pandemic, which allowed more of the KVK activities to be carried out in a physical environment. Despite a slight increase in utility costs, the 2021 costs remain 12.18% below the 5-year average utility costs. In 2021, the most significant cost increase is for heating, but this is also a result of rising heat prices. The lowest cost is water, which is lower than in 2020.

Dormitories. In 2021, student accommodation was provided in 3 dormitories with 707 project places. In 2021, the total income from accommodation (of both students and guests) amounted to EUR 347,761.14. The cost-to-income ratio of dormitories remained without significant changes – it decreased by 1.57% compared to 2020. The main reason for this change is the increased heating costs.

Rent of premises. In 2021, as the operating restrictions established due to the global pandemic were eased, the demand for a short-term lease of premises increased, in particular of gyms,

which allowed gaining a 75% increase in revenues compared to 2020 and brought the revenue closer to the 5-year average.

In summary, it can be stated that, in 2021, the major renovation of the building at 10 Bijūņu g., Klaipėda was completed, thus increasing the energy efficiency class, and the renovation project of the dormitory at Taikos pr. 16, Klaipėda was initiated, which is also focused on reducing energy consumption costs. However, despite the ongoing measures reducing energy consumption that have been implemented so far, around 44% of the heated area remains in buildings that have undergone renovations. During 2021, the prices of building cost constituents have increased by more than 10% compared to the previous year, thus making it more difficult to renovate buildings with funds from the KVK budget.

Issues on infrastructure management and insights into their solutions:

- *modernisation of buildings to the extent practicable through measures reducing energy consumption;*
- *renewal of the environment of the dormitories to the extent practicable in order to ensure more attractive living conditions;*
- *continuation of the search for alternative sources of financing for the renovation of buildings;*
- *increasing the effectiveness of the business processes of the organisation through digitisation-focused tools.*

5.2. Finance

At KVK, accounting is carried out on an accrual basis. The revenue is recorded upon earning and expenses are recorded upon being incurred, regardless of when funds are received or paid.

The KVK revenue in 2021 amounted to EUR 7,521 thousand. The majority of the financing revenue consists of appropriations received from the State budget (56%) and income from tuition fees, leasing of premises and other services provided (37%).

The main source of the KVK revenue is the State Budget appropriations, which vary on yearly basis depending on the number of students admitted to state-funded study places. The financial resources of the Study and Research Development Programme at the beginning of 2021 were EUR 3,305.00 thousand. The financial resources are intended to cover the cost of tuition fees for students admitted in 2021 and earlier, as well as the basic costs of KVK. An additional amount of EUR 147 thousand was allocated for the increase of the salaries of the teaching staff. EUR 227.9 thousand was allocated for conducting courses and applied research activities. Taking into account the number of students actually admitted to state-funded study places in 2021, the estimated funds were increased by EUR 250.20 thousand in the 2021 Q4.

The appropriations received during 2021 from the State Budget for financing collegial studies amounted to EUR 4,177.0 thousand.

In the KVK revenue structure, 37% of the revenue in 2021 was received from the services provided by KVK, for which natural persons and legal entities pay independently. The majority of this revenue (approximately 85%) came from the main activities.

Compared to 2020, income from the paid tuition fees has increased by approximately 20% in 2021. This increase in revenue was caused by a higher number of students in non-state-funded study places. The revenue from the main activities grew by approx. 17% when comparing the last year to the previous financial year.

Revenue from other activities constitutes 15% of total paid services. KVK actively collaborates with social partners and receives monetary support and support in the form of material values from social partners each year.

In 2021, KVK incurred costs in the amount of EUR 7,233 thousand (through costs of EU projects). Due to the emergency situation in Lithuania, KVK costs incurred in 2020 decreased by approx. 7% compared to 2019. The costs incurred in 2021 increased by 18% compared to 2020. The steepest increase was observed in other costs – by 55%. The main reason for the increase is the payment of scholarships to pedagogical students, information technology students and students taking part in the ERASMUS+ mobility programme.

Approx. 70% of the costs of the main activities consisted of wages and taxes. Compared to 2020, the wages fund in 2021 has increased by EUR 460 thousand. due to a 5% pay rise for the teaching staff, an increase in the base rate, an increase in the minimum monthly rate of labour payment, and an increase in the wages of the library staff.

Utilities and communication costs increased by approx. 15%. The increase was due to the rise in energy prices.

The wages fund increased by 6% compared to 2020 for the aforementioned reasons. The average wage increased by 12% compared to the previous year. The increase in the wages of the teaching staff, an increase in the base rate and an increase in the minimum monthly rate of labour payment were the main contributors to the wage increase.

On 31 December 2021, the amounts to be paid to suppliers amounted to EUR 41 thousand. On 31 December 2021, KVK settlement accounts had EUR 1,578 thousand, of which EUR 482 thousand were target funds for EU projects.

Due to lower-than-expected costs and higher income, KVK had EUR 1,100 thousand on its settlement accounts at the end of 2021 (excluding project funds).

The balance (surplus) is accumulated due to the following circumstances:

The balance planned in the 2021 estimate was expected to be approx. EUR 577 thousand. Eur. The actual result achieved was EUR 1,384 thousand. The main reasons for the surplus are as follows:

1) The appropriations received from the State Budget were 4% more than planned. These appropriations amounted to EUR 478 thousand and were received during the year for additional admitted students and R&D activities.

2) In 2021, as the number of students paying their own tuition fees increased, the revenue from non-state-funded students for tuition fees, tuition-related income and other income was approx. EUR 178 thousand more than planned.

3) Revenue received from the EU, foreign countries and international organisations was EUR 445 thousand.

4) The planned and actual costs incurred remained similar in 2021, the performance rate was 99%.

Issues of financial management and insights into their solutions:

The State Budget appropriations and fee income are trending downwards as the number of state-funded students is decreasing, thus, the following recommendations are given:

- to increase revenue from paid studies, applied research activities, consulting activities and other services provided;

- to use costs related to the KVK activities and strategy rationally in order to achieve the best possible result at the lowest possible cost.