

Finance and Financing WERA

Report and Three-Year Plan Prepared by Working Group #5

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1. Introduction

WERA will start with a lean financial structure and benefit from the efficiencies made possible through technology and a streamlined governance structure as set forth in the Constitution. Nevertheless, finances, however modest, are needed to allow for basic organizational functions. These means need to be provided by WERA members. First, an analysis of available funding possibilities has made clear that it will be difficult to find external financial means for establishing a new organisation. Therefore, WERA has to finance its own basic operations. Second, finances are needed for making a start toward realising a few activities that are central on the agenda of WERA. It will be easier to find external means for programmatic activities as soon as it can be made visible that the organisation is already guaranteed by a number of associations that provide financial capacity.

It seems reasonable to expect that a period of three years has to be covered in which WERA essentially or primarily finances its own organisation and takes the time to find external financial means for core activities. If WERA is successful, a second phase will start with a more substantial financial capacity based on additional revenue streams or external funding. In the longer-term, beyond the first three years, WERA revenue will be generated through (a) fees of member associations, (b) external grants, and (c) income derived from WERA products or programs. WERA aims for a financial plan over time that retains a reasonable fee structure for member associations and expands WERA program and stature based on additional revenue streams—whether from grants, gifts, or non-fee WERA income.

This purpose of this document is to set forth a model for WERA's finances. It aims to provide a budget and a fee structure for member associations based on an estimated number of member associations. The final budget for the first three years will vary within the general limits specified for the fee structure in this document and the total number of association members. Even over the first three years, the total resources could increase were additional sources of revenue, including external grants or gifts, to be received by WERA. It is anticipated that a development committee will be appointed early in the establishment of WERA to identify revenue streams beyond member fees and possible opportunities for external support.

This three-year plan addresses three issues: First, we formulate a few principles underlying the financial mechanism. Second, a model budget is established for the first three years. Third, this budget is examined in the context of the three-year program plan. Finally, some remarks are made regarding WERA's financial accountability.

2. Principles

WERA agrees upon the following principles re its financing.

1. Larger associations will contribute more money than smaller ones.
2. Membership fees will be related to GDP of countries / regions in one way or another, so we will differentiate between associations from countries or regions with high income, middle income, lower middle income, and low income.
3. A lack of money should not become a threshold for active membership by any association, indicating that the low income fee has to be really low.
4. In order to reduce travel and hotel costs, WERA meetings will piggy back on the larger existing conferences; this also opens the possibility to subsidy participation, by WERA and/or by the conference organisers.

Because WERA is dedicated to advancing education research world-wide, these principles emphasize the importance of affordability for all associations otherwise interested in and eligible to be full members of WERA.

3. WERA's Starting Budget

For the first three years (2010 – 2012), WERA needs an annual budget of about € 95,000 (which equals about US\$ 120,000). This is to be made available for:

- Program Coordinator: support for and coordination of program plans; maintain WERA documentation; prepare for meetings, agenda, and minutes; facilitate communication; administer membership processes; and so forth;
- Website: preferably hosted and technically supported by a member associations;
- Support for participation of executive committee or council members to WERA meetings (costs of hotel and travel if needed).

Table 1 provides an estimate of all costs WERA will have to cover in the first three years. Costs are in €; the total amount per year is also indicated in US\$.

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Notes</i>
Office				
Secretary General (20% Time)	---	---	---	
Program Coordinator (Salary & Benefits)	45,000	46,350	47,740	
Office, internet, supplies, travel, audit	7,500	7,725	7,957	
Web site	5,000	2,500	2,588	
Program Support (see Below)	5,000	5,150	5,305	
Total Office	62,500	61,725	63,590	
Executive Committee/ Council Meetings	28,000	28,840	29,705	7 x € 2000 x 2 meetings
Council Meetings	2,000	2,060	2,122	Space rental, AV, copying, etc.
Total	€ 92,500	€ 92,625	€ 95,417	
In US\$	\$ 118,000	\$ 118,150	\$ 122,000	

Table 1. Estimate of costs of WERA in years 1, 2, and 3, indicating that about € 95,000 or US\$ 120,000 is needed.

Taking into consideration the principles discussed above and the estimated costs as depicted in Table 1 the anticipated financial plan is as follows:

- AERA, BERA, and EERA each provide €12,000 (\pm \$ 16,000) per year for the years 2010, 2011 and 2012, in total € 36,000 p.a. These associations are from high income countries and have an annual budget above € 300,000 / \$ 400,000.
- AARE, APERA, CSSE, GERA, and EARLI each provide € 7,000 (\pm \$ 9,000) per year for the years 2010, 2011 and 2012, in total € 35,000 p.a. These associations are also from high income countries and their annual budget is below € 300,000 / US\$ 400,000, but above € 100,000 / US\$ 140,000.
- The small associations from high income countries each provide € 1000 (\pm \$ 1300) per year, in total € 11,000; their annual budget is below € 100,000 or US\$ 140,000.
- The associations from middle income and lower middle income countries each pay € 500 (\$ 600).
- The associations from low income countries each pay € 100 (\$130).

This graduated fee structure would provide WERA with an annual budget of about € 96,000 or US\$ 118,000 for the first three years. See for an overview Table 2. It should be noted that every paying association is a member of WERA and has one vote only in the WERA council, irrespective of the fee.

Member association	K€	K\$	Name	n	K€	K\$
Large / high income country > \$ 400k	12	17	AERA, EERA, BERA	3	36	47
Medium / high income country > \$ 200k	7	10	AARE, APERA, EARLI, GERA, CSSE	5	35	46
Small /high income	1	1.4	ERAS, HKERA, NERA, SERA, SSRE, VOR, ...	12	12	15
Small/middle and lower middle income	0.5	0.7	...	4	2	3
Small/low income	0.1	0.1		6	0.6	0.8
			Sum	30	85	112

Table 2. Overview of proposed membership fees.

4 WERA Budget and Program Initiatives

The three-year budget as outlined above provides adequate resources to allow WERA to initiate the five activities specified in the three-year program plan. These five activities are (1) the WERA Website as an Interactive Dynamic, World-Wide Home and Node for Information and Communication, (2) WERA Substantive Research Sessions Aligned Especially with Member Association Meetings, (3) Capacity Building Research Workshops for Advanced Graduate Students and Emerging Scholars, (4) Education Research Indicators Project, and (5) Research Working Groups with World-Wide Perspective.

- The budget provides resources for Website development and operations. The three-year plan emphasizes that volunteer members will need to be involved in the development of some of the content that will make the WERA website a place to visit, to network, and to gain and give information.
- A primary programmatic thrust for WERA is symposium sessions or tiers of sessions held in conjunction with especially annual meetings of member associations, but also quite possibly non-member associations. The presence of a Secretary General with a Program Coordinator will help ensure that officers and Council members develop a process for identifying and developing such sessions and including able scholars from around the world with germane expertise. The execution of a three-year plan can be done through the work of volunteer members (a small program committee to take responsibility was proposed) and the facilitation provided by the Secretariat.
- Two or three capacity building workshop can be planned and convened over an initial three-year period without funding. Without grant support, the participants in such workshops would need to

identify their own sources of support to attend and the implementation of workshops would be reliant on a faculty that could otherwise find support to assist in this initiative or would be drawn from the region of the workshop. Under a scenario of no external funds, such training and capacity building workshops would likely need to be scheduled before or after an annual education research association meeting so that the workshop faculty could be drawn upon at only modest cost (one or two nights lodging). The anticipated budget has an allocation for program support that could help defray some lodging costs for the workshop faculty. The WERA budget also allows for a committee to plan and execute capacity building workshops with administrative support and logistical planning being undertaken by the WERA Program Coordinator under the guidance and supervision of the Secretary General. Were external support obtained, these workshops could be expanded in depth, scope, and world-wide research including helping to defray the costs of attendees as well as faculty.

- The Program Plan calls for the first phase of any education research indicators project to build upon ongoing works and projects as well as extant data sources. It is only in the future—beyond the first three years—that the program plan notes the possibility of WERA itself developing some indicator or data-base system of education research indicators world wide. The initial project envisions a research task force of interested associations and members within those associations who have relevant interests and expertise to summarize what is known and the state, quality, sufficiency, and potential value of available data for advancing education research as a field. The WERA Secretary General may as a function of her/his role position have a particular interest in such information and seek to take the lead. Under any circumstance, however, some modest communications funds and technical assistance from the Secretary General and WERA Program Coordinator should be sufficient to enable a working group to prepare a report. The Program support budget might need to be drawn on to allow for one or two meetings of a small task force of 5 or 6 members.
- The program plan calls for Research Working Groups in identified areas where major syntheses of the research in terms of the state of the knowledge and research directions could advance international collaborations and stimulate important research and support for it world wide. The Plan calls for a process where topics and working groups would be established. A great deal can be undertaken through virtual communication; where needed, conference calls or Skyping; and some piggybacking onto extant meetings. To ensure that research workshops are inclusive of relevant researchers with limited resources, some use of the program support budget would enable one or two place-based meetings. The number of such research working groups might be limited to 2 to 3 over the first three years. The products of their work could result in modest revenue from a publication or the possibility of a specialized research conference that could include some modest registration fees. The holding of a specialized research conference was noted in the program plan as a possible outcome for years four or five of WERA.

As set forth in the WERA Constitution, the Secretary General serves as the secretary–treasurer and manages the administrative, financial, and programmatic operations. The Secretary General provides an annual report for the Executive Council and Council that overviews incomes and expenditures. That document will receive independent review for a light audit by a chartered auditor. The audit has to be presented to and approved by the WERA Council. Costs can be kept to a minimum by use of online banking facilities. It seems advisable to have a €– or US\$–based treasury, because this will limit WERA’s banking costs (transfer costs).

Associations are classified as High income, Middle Income, Lower Middle Income, and Low Income according to the World Bank Classification of National Economies (Source: <http://go.worldbank.org/D7SN0B8YU0>)