IT UNIVERSITY IN COPENHAGEN

ANNUAL REPORT **2014**

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1. STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT AND INDEPENDENT AUDITORS' REPORT

1.1 UNIVERSITY DETAILS

Organisation	IT University of Copenhagen Rued Langgaards Vej 7 DK-2300 Copenhagen S
Telephone	+45 72 18 50 00
E-mail	itu@itu.dk
Website	www.itu.dk
CVR no.	29 05 77 53
Registered office	Copenhagen
Board of Directors	**Jørgen Lindegaard**, chairman of the Board of Directors, former group managing director of ISS-Holding, ISS A/S and SAS Group (2006-2010 and 2001-2006, respectively), born 1948. Chairman of the Board of AVT Business School, JL Rungsted Holding ApS, Vimmelskaftet 39-41, Trifina Holding ApS, Scania Danmark, Norsk Scania A/S and Viking-Danmark A/S. Deputy chairman in Zealand Pharma A/S. Member of the Board of Directors of Stilde Plantage A/S. Managing director of JL Rungsted Invest ApS. **Per Ladegaard**, group managing director of Nykredit Holding A/S and Nykredit A/S until September 2014, born 1953. Chairman of the Board of Directors of Nykredit Mægler A/S, e-nettet A/S, e-nettet Holding A/S and JN-Data A/S and Member of the Board of Directors of Nykredit Bank A/S and Bankernes EDB Central (BEC) until September 2014. Chairman of the Danish Rheumatism Association. Member of the Telecommunications Complaints Board. **Annette Stausholm**, department manager, IBM, born 1959. Recipient of the European Women of Achievement Award 2004. **Jay David Bolter**, Co-Director for New Media Center and professor in New Media, School of Literature, Communications, and Culture at Georgia Institute of Technology, born 1951.

Maria Rørbye Rønn, director general of Radio Denmark, CEO, born 1964. Deputy chairman of the Board of Directors of Ritzaus Bureau A/S and member of the Board of Directors of CfL.

Thomas Hildebrandt, associate professor, the IT University of Copenhagen, born 1972.

Sebastian Büttrich, special consultant, the IT University of Copenhagen, born 1964.

Gabriele Zeizyte, bachelor student, the IT University of Copenhagen, born 1994. Joined the Board of Directors on 1 November 2014.

Vytautas Davidavicius, bachelor student, the IT University of Copenhagen, born 1981.

Management

Mads Tofte, vice chancellor
Georg Dam Steffensen, university director

Auditors

Rigsrevisionen (the auditor general of Denmark)
St. Kongensgade 45
DK-1264 Copenhagen K

Institutional auditors

Ernst & Young
Godkendt Revisionspartnerselskab
Osvald Helmuths Vej 4
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Attorneys

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Rådhuspladsen 4
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Jernbanegade 31
DK-6000 Kolding

Bank

Danske Bank A/S
Holmens Kanal 2-12
DK-1092 Copenhagen K

1.2 STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT

The Board of Directors and the Management have today discussed and approved the annual report of the IT University of Copenhagen.

The annual report has been prepared in accordance with Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities.

It is our opinion that:

1. the annual report gives a true and fair view, i.e. the annual report does not contain any material misstatements or omissions, including adequate presentation and reporting of targets in the annual report,
2. the transactions comprised by the financial reporting are consistent with appropriations granted, legislation and other regulations as well as agreements entered into and general practice,
3. business procedures have been established that ensure financially appropriate administration of the funds comprised by the annual report.

Copenhagen, 16 April 2015

THE MANAGEMENT OF THE IT UNIVERSITY

Mads Tofte
Vice Chancellor

Georg Dam Steffensen
University Director

THE BOARD OF DIRECTORS OF THE IT UNIVERSITY

Jørgen Lindegaard
Chairman, external member

Jay David Bolter
External member

Per Ladegaard
External member

Annette Stausholm
External member

Maria Rørbye Rønn
External member

Sebastian Büttrich
Staff-elected member

Thomas Hildebrandt
Staff-elected member

Gabriele Zeizyte
Student-elected member

Vytautas Davidavicius
Student-elected member

1.3 INDEPENDENT AUDITORS' REPORT

The Board of Directors of the IT University of Copenhagen has appointed Ernst & Young institutional auditors of the IT University of Copenhagen in accordance with section 28(3) of the Danish University Act. The Auditor General is responsible for the overall audit in accordance with the Danish Auditor General's Act.

TO THE BOARD OF DIRECTORS OF THE IT UNIVERSITY OF COPENHAGEN

Independent auditors' report on the financial statements

We have audited the financial statements of the IT University of Copenhagen for the financial year 1 January – 31 December 2014. The financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The financial statements are prepared in accordance with the provisions of Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities. Management is also responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Further, it is Management's responsibility that the transactions comprised by the financial statements are in accordance with the appropriations granted, legislation and other regulations as well as agreements entered into and general practice.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing, generally accepted public auditing standards and additional requirements under Danish audit regulation as well as Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements,

whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the university's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the university's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

Further, the audit comprises an assessment as to whether business procedures and internal control have been established to ensure that the transactions comprised by the financial statements are consistent with appropriations granted, legislation and other regulations as well as agreements entered into and general practice.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the university's financial position at 31 December 2014 and of the results of its operations and cash flows for the financial year 1 January – 31 December 2014 in accordance with the provisions of Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities. Further, in our opinion, business procedures and internal control have been established to ensure that the transactions comprised by the financial statements are consistent with appropriations granted, legislation and other regulations as well as agreements entered into and general practice.

Statement on the Management's review, performance reporting and financial highlights

In accordance with agreement with the Auditor General on internal audit, cf. section 9(1) of the Danish Act on Audit of State Accounts etc., we have read the Management's review, performance reporting and financial highlights. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review, performance reporting and financial highlights is consistent with the financial statements.

Copenhagen, 16 April 2015

Ernst & Young
Godkendt Revisionspartnerselskab

Peter Gath
State Authorised Public Accountant

2. OPERATING REVIEW

2.1 PRESENTATION

The IT University of Copenhagen is an independent university under the Ministry of Higher Education and Science.

Mission

The mission of the IT University of Copenhagen is to provide internationally leading teaching and research which will make Denmark exceptionally good at creating value with IT. The IT University will create this value mainly via IT research and IT education.

Vision

The IT University of Copenhagen is an outstanding example of how a small university can achieve a ranking among the best in the world, both in terms of academic standards and in terms of creating value, by being innovative and globally interactive.

2.2 STRATEGY

The key elements of the strategy for the period 2012-2016 are:

1. The IT University complies with its mission
2. Significant growth in research volume without compromising education volume
3. Careful allocation of resources
4. A great place to work

The overall strategy consists of sub-strategies for education, research, IT and communication.

The IT University aims to increase the IT research volume (see item 2 above) for the following reasons: In 2011, 73,509 persons in Denmark were employed in IT jobs.[1] In 2011, the total number of senior-level IT researchers in the primary IT research environments at Copenhagen Business School, the Technical University of Copenhagen, the IT University of Copenhagen and the computer scientific departments at the University of Copenhagen, Aalborg University and Aarhus University amounted to 312.[2] This corresponds to approximately four researchers for every 1,000 persons employed in IT jobs in Denmark. In 2011, the number of researchers (including all areas of expertise) in Denmark was 12.98 for every 1,000 employees, and the EU average was 6.75 researchers for every 1,000 employees.[3] Often, the IT University must refuse requests for research collaboration with public and private organisations owing to shortage of capacity. In order to increase the number IT researchers, the IT University aims to increase external research funding and use this to raise the number of PhD students at the university and improve the IT research capacity.

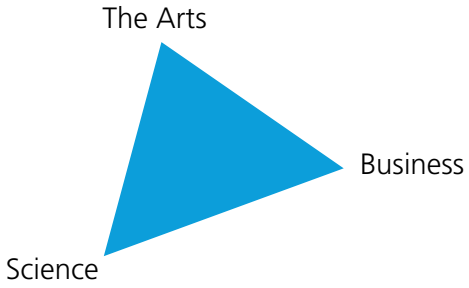
[1] *The Danish Business Authority: Employment patterns in information and communications technology, March 2013*
[2] *The figure is based on data from the heads of department in question.*
[3] *The Danish Ministry of Higher Education and Science: Denmark in an European research report 2014 (memo of 21 October 2014).*

As regards study programmes, the situation is different. In the course of the last 15 years, the number of IT study programmes and IT graduates in Denmark has increased significantly, and as a result, some Danish IT graduates experience quite high unemployment rates. It is high on the agenda of the IT University to address and reduce the mismatch between the supply of and demand for IT skills in Denmark. In particular, the IT University aims to ensure the professional skills of graduates and to reduce educated unemployment. As a result, many qualified students are rejected for some of the study programmes of the university. At the same time, the university aims to enhance fields where IT skills are needed and in this way increase the portfolio of research and education at the university.

THE IT UNIVERSITY'S VIEW ON IT:

The essence of information technology is the creation, sharing and handling of mental concepts by means of digital technology.

It is the mental concepts of humans, or the intellect, which constitute the core of information technology. Some of these concepts are based in natural sciences and technology, some in the arts and some in the use of IT by the business community. This diversity of specialisation is expressed in the triangle of the IT University:



This view is decisive for the ability of the IT University to attract a large number of researchers and students to this area. As a university dedicated to IT, the IT University has the special advantage of being able to gather these very different approaches to IT in one organisation with common targets and strategy.

The development of the IT University into a full-scale university includes both bachelor and master of science (MSc) study programmes in all three corners of the above triangle. The bachelor study programmes have now reached a level corresponding to the programmes designed in connection with the globalisation agreement in 2006.

THE IT UNIVERSITY'S DEFINITION OF THE IDEAL IT EDUCATION

At the IT University, the ideal education fulfils the following requirements:

- It attracts a large number of highly qualified students
- The scientific content as well as the teaching is world class
- The education provides the students with qualifications which are in high demand in the labour market.

The principles stated above has decisive consequences for the study programmes offered at the IT University. Only by attracting a large number of highly qualified students, the IT University is able to educate a sufficient number of graduates for Danish private and public organisations. Only via continuous development of the ability of the organisation to design top-quality study programmes and to provide top-quality teaching, is it possible to achieve the goal of world-class scientific content and teaching. Finally, the university is under an obligation to ensure that all graduates have "a ticket to the labour market", i.e. that they possess strong and durable knowledge and have achieved professional skills relative to labour market demands.

Accreditation

In 2014, the IT University was subjected to a comprehensive accreditation process under the Danish Accreditation Institution. The result was a conditional, positive accreditation which must be reassessed in 2016 when the university has followed up on the recommendations.

2.3 THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors did not elect any new members in 2014. Gabriele Zeizyte replaced Mark Gray. Accordingly, at year end 2014, the Board of Directors consists of Jørgen Lindegaard (chairman), Annette Stausholm, Jay David Bolter, Maria Rørbye Rønn, Per Ladegaard, Sebastian Büttrich, Thomas Hildebrandt, Gabriele Zeizyte and Vytautas Davidavicius.

In 2014, the work of the Board of Directors mainly related to change processes. Therefore, the Board of Directors' focus has been on strategic decisions regarding increasing external research funding, the Study Progress Reform for bachelor and MSc students, admission on study programmes and a new development contract with the Ministry of Higher Education and Science for the period 2015-2017.

In 2014, the work of the Board of Directors on commercialisation and entrepreneurship resulted in the formation of a public limited company pursuant to section 4 of "Act to consolidate the law on commercial activities of public research institutions and cooperation with foundations".

2.4 DEVELOPMENT CONTRACT

On 20 June 2012, the IT University entered into a development contract with the former Minister for Higher Education and Science. The main themes of the development contract were:

- Quality in education (benchmarks: drop-out and employment rates)
- Coherence in the education system (benchmark: intake from other institutions)
- Lower completion time (benchmark: completion time)
- Increased innovation capacity (benchmarks: open innovation projects and attraction of research funding from other sources than the Government)
- IT research with great impact (benchmarks: bibliometric points and external research funding)
- Working and study environment (benchmarks: scores in employee satisfaction surveys and course evaluations as well as increase in number of professors)
- Globalisation (benchmarks: participation in globally interactive research and education)
- Efficiency (benchmarks: efficiency in education and administration).

The first four themes were defined by the Minister of Higher Education and Science, and the last four themes were based on the strategy of the IT University for the period 2012-2016. In the development contract for the period 2012-2014, the IT University made an agreement with the Ministry of Higher Education and Science on 16 targets. In 2014, the IT University fulfilled 13 of the 16 targets.

The targets achieved included the target related to the employment rate for the MSc graduates of the IT University (target 2), attracting students from other institutions (target 3), MSc students' completion time (target 5), attraction of external research funding from other sources than the Danish Government (target 6), open innovation projects (target 7), bibliometric points (target 8), course evaluation (target 10), scores in employee satisfaction surveys (target 11), professorships (target 12), globally interactive research (target 13), globally interactive education (target 14), efficiency in education (target 15) and reduction of administrative expenses (target 16).

The target that the drop-out rate for first-year bachelor students must not exceed 15 per cent (target 1) was not achieved. In 2014, there were 43 drop-outs of the 204 bachelor students admitted in 2013, corresponding to a drop-out rate of 21 per cent. Also, the target that at least 50 per cent of the bachelor students must complete the study within the prescribed study period (target 4) was not achieved. In 2014, 49 per cent of the 213 bachelor students who were admitted in 2011 completed their degree within the prescribed study period. Finally, the target that external research funding of at least DKK 40 million must be attracted and used in 2014 (target 9) was not achieved. In 2014, total external research funding amounted to DKK 27.4 million, which was DKK 12.6 million below target.

For further details, see Section 4.2 Discussion of target achievements.

2.5 FINANCIAL PERFORMANCE 2014

The financial performance for the year after net financials is disclosed in Table 1. As seen, in 2014, income was in line with the income recorded for 2013.

Income was approximately DKK 16 million below budget, and costs were approximately DKK 18 million below budget. Moreover, financial income increased by approximately one million compared to budget.

The deviations between the budgeted and realised amounts are caused primarily by the following factors on the income side:

- Income from education decreased by almost 13 million compared to budget. This is attributable to the fact that bachelor and MSc students did not obtain the expected number of full-time student equivalents and that the number of part-time students admitted was smaller than expected, and consequently, lower part-time student equivalents were obtained.
- Income from external research funding was approximately DKK five million lower than budget.
- Income from other sources was almost DKK one million higher than budget.

On the cost side, the difference between the budgeted and realised (ordinary) costs is caused by the following factors:

- Total payroll costs were more than DKK 12 million below budget. This is attributable to the fact that payroll costs related to external research projects were almost DKK three million below budget, while payroll costs related to the IT University in general were almost DKK nine million lower as a result of decreasing study activities.
- Other ordinary costs were approximately DKK five million below budget.

TABLE 1: Financial performance for the year (DKK'000)

	Real. 2011	Real. 2012	Real. 2013	Budget 2014	Real. 2014	Budget 2015
Income	228,845	248,903	261,970	277,452	261,031	273,374
Costs	226,370	244,151	257,582	278,889	260,934	275,173
Surplus/deficit	2,475	4,752	4,388	-1,437	97	-1,799
Equity at year end	39,326	44,078	48,466	47,029	48,563	46,764

2.6 SCIENTIFIC PERFORMANCE FOR THE YEAR

Research

The IT University's research activities attracted great attention in 2014, including several awards ceremonies, and an increasing number of peer-reviewed articles, from the media and through new innovative companies. The admission of new PhD students increased significantly.
The greatest disappointment was that external research funding did not increase as planned.

At the end of 2014, the IT University is halfway through the current strategy period. Below, the current status of each of the main areas of the research strategy is summarised.

1. Move up the reputation spiral

A number of researchers have received awards for their research work, including associate professor Claus Brabrand, who was given the German "IT Security Award" for his research in tools for analysing security flaws in programs, and PhD student Ninh Dang Pham, who together with his supervisor, professor Rasmus Pagh, received the award for the best contribution to the reputable international internet conference WWW 2014.

The number of peer-reviewed articles published by researchers at the IT University increased significantly over the last couple of years; see table 2 below. The number of bibliometric research publication points, calculated by the Danish Agency for Science, Technology and Innovation and published with a delay of almost one year, was 190 in 2013; see table 2. The 190 points by far exceeded the target of 166 in the development contract for 2013.

Many research findings have been mentioned in the media, including research results regarding the importance of IT in the efforts to reduce energy consumption, the influence of social media on public debate and data analysis/"big data", robot technology and safety.

2. Increase external research funding

2014 saw a positive development in research funds from the EU. EU funds amounted to 22 per cent of the external research funds, corresponding to DKK 6.1 million of total external research funds of DKK 27.4 million. Moreover, the project Scalable Similarity Search under the supervision of professor Rasmus Pagh was started in 2014. This project is funded by the ERC Consolidated Researcher Award, for which the competition is fierce.

Total external research funding from sources other than the Danish Government amounted to DKK 9.4 million in 2014, which means that the target set in the development contract of DKK 6.7 million was exceeded. However, the total funding of DKK 27.4 million was considerably below the target of DKK 40 million of the development contract for 2014. Unfortunately, it has been difficult for the IT University for several years to achieve the targets for external research funding, and the initiatives taken have not had the required effect. In the summer 2014, this led to a strategic decision that all senior researchers are jointly responsible for contributing to attracting external research funding. In the autumn 2014, the management of the department prepared an action plan to follow up on the strategic decision.

3. Contribute to valuable research

The DemTech project, under which research is being conducted in reliable technology for elections (e-election), continues to attract the attention of central players in Denmark and abroad, e.g. in Australia and many countries in the Middle East. The Genie project which was conducted in collaboration with Peking University in Beijing was completed in 2014, and evaluations were positive. Some of the basic technology from the project is now used in tools for analysing work processes in collaboration with Danish companies, and the work related to indoor tracking continues in collaboration with an industrial partner in China.

Two research projects that were completed in 2014 contributed to innovation. One of the projects, PC Mini-Grid, was carried out in collaboration with a company that was successfully sold to an international investor. The other project, MONARCA, has developed the basis for a newly established company, Monsenso, that has received funding from Danish investors.

A new Robotics, Evolution and Arts Lab was established in 2014 aimed at carrying out research on the border between fiction and fact by creating new feasible scenarios for the society of tomorrow. The lab explores what-if scenarios, combining art, user behaviour and technology towards the realisation of feasible scenarios.

4. Develop a number of strategic areas

At the end of 2014, the IT University has three strategic research initiatives: Energy Futures, Critical Systems and DECIDIS.

In DECIDIS, research is conducted in social and cultural changes of democracy and citizenship in the digital society. The initiative started in December 2014 with a successful launch that attracted many external participants.

The Critical Systems initiative conducts research in technology supported, data based decision procedures in systems that are critical for society, e.g. payment systems, elections, trading and infrastructure. In June, associate professor Carsten Schürmann organised a session on democracy in the digital age at the conference ESOF 2014 in Copenhagen.

In Energy Futures, software engineers, media and communication scholars as well as social scientists and interaction designers are working together on prototyping a range of possible fossil free energy futures. The so-called Land Art Generator Initiative (LAGI) is a fine example from 2014. Here, installations were shown from around the world which combine art with energy saving solutions. This event attracted great attention from international as well as Danish media.

5. Stimulate a strong research culture

18 new research professionals were employed in 2014. The majority of the employees come from leading international research groups. This will strengthen the business IT area, while at the same time, the study programmes in this area have recorded strong growth for several years. In addition to the increase in the number of research employees, the development of the management of the department continued, recruitment and welcome processes were strengthened and the administrative support for research and learning was increased. The IT University has implemented the national Code of Conduct for Research Integrity and has set up an internal committee for research ethics and integrity.

The management of the department has taken a number of interdisciplinary initiatives to support and increase internal knowledge sharing and external collaboration and funding. Open ITU research lectures at the IT University of general public interest is one of these initiatives, e.g. lectures on robot technology and Big Data.

6. Strengthen the PhD school

17 new PhD students were admitted at the PhD School in 2014. This is an increase of 55 per cent compared to 2013 and a fundamental step in achieving the long-term target of admitting 22 new PhD students per year. Two of the IT University's PhD students enjoyed the recognition of Stibo Fonden as global IT talents: Tobias Lybecker Christiani and Christoffer Holmgård Pedersen, who each received a travelling scholarship of DKK 100,000 from the foundation.

On 1 February 2014, professor Peter W. Eklund was appointed new Head of the PhD School. One of his most important tasks is to plan and follow up on the international evaluation of the PhD School which was completed at the end of 2013. A number of measures have been taken, including handling inter-, multi- and cross-disciplinarity, improving the study environment, streamlining the recruitment procedures and supporting supervisors and the management of the PhD School.

The above examples only represent a minor part of the research conducted at the IT University. However, they present a picture of a dynamic, recognised, growing and proactive research environment. Simultaneously with this development, the high education volume is maintained as stated in the overall strategy for the IT University.

TABLE 2: Research full-time equivalents, PhD theses and publications

	2010	2011	2012	2013	2014
Approved PhD theses	7	8	11	22	12
PhD students (full-time equivalents)	46	53	49	42	38
VIP: Assistant professors, associate professors and professors (full-time equivalents)*	45	50	53	53	69
Number of publications (peer-reviewed)	187	209	205	267	290
Publication points	125	114	159	190	**

Note: As from 2012, the number of publications (peer-reviewed) has been calculated using a new method.

** New calculation method compared to the Annual Report 2013.*
*** Figures from the Danish Agency for Science, Technology and Innovation were not available at the Annual Report date.*

Education

As shown in table 3, the number of bachelor students admitted increased from 208 in 2013 to 239 in 2014. With an admission of 92 bachelor students, the bachelor Software Development programme accounted for the largest increase, and this programme was thereby the largest bachelor study programme of the IT University in 2014. The increase in the number of admitted master's students is particularly attributable to an increase in the admission on the master of IT Management study programme, which was revised in 2014. For all MSc study programmes, the admission was almost as planned. The most significant difference between the budgeted and actual number of students recorded in a single MSc study programme was 10 students.

The record high number of MSc graduates of 368 cand.it. graduates reflects the highest admission ever in 2012 when the MSc Digital Design and Communication study programme started to admit students only once a year. The effect of this progressed admission is expected to be matched by a corresponding decrease in the number of MSc graduates in 2015.
Full-time student equivalents decreased by approx. 100 compared to budget, and consequently, full-time student equivalents were 17 lower than the 2013 level.

From 2013, all three bachelor study programmes have recorded three full year groups and a stabilisation in the number of graduated bachelor students.

The number of obtained full-time student equivalents in the part-time study programmes decreased primarily due to a decrease in the number of single-course students.

TABLE 3: Applicants, admitted and enrolled students, full-time student equivalents, graduates and completion times

	2010	2011	2012	2013	2014
Applicants for the MSc study programme	769	1,076	1,297	1,269	1,416
Admitted MSc students	418	417	491	472	441
Enrolled MSc students	989	1,094	1,220	1,269	1,254
Graduated MSc students	203	247	276	324	368
Completion time, MSc students (years)	2.5	2.5	2.6	2.6	2.6
Applicants for the bachelor study programme[1]	654	899	1,067	1,082	1,089
Admitted bachelor students	199	213*	218*	208*	239
Enrolled bachelor students	346	508	601	625	661
Graduated bachelor students	22	25	78	136	139
Completion time, bachelor students (years)	2.8	2.8	2.8	2.8	2.8
Number of full-time student equivalents	690	916	1,118	1,261	1,244
Admitted master's/diploma students	165	105	118	137	146
Enrolled master's/diploma students	669	644	661	727	815
Number of full-time student equivalents obtained by part-time students	145	130	122	125	111

Note: Full-time student equivalents are calculated at 31 August. The number of students and graduates was calculated at 30 September. The completion time, which is 31 months for MSc graduates, corresponding to 2.6 years, is calculated as the median of the number of commenced study months for graduates who complete their MSc degree in the period 1 October to 30 September. The same method is used for bachelors.

[1] Applicants comprise first-choice applicants as well as second-choice and other applicants. Therefore, the number of applicants cannot immediately be compared with the number of bachelor students admitted.

* *The figure deviates from the Statistics of Universities Denmark which only show the number of students admitted via the coordinated enrolment system (KOT).*

2.7 EXPECTATIONS FOR NEXT YEAR

The implementation of the Study Progress Reform for all full-time students will be a focus area for employees as well as students in 2015. Moderate reductions are planned to the number of students admitted to restricted ("dimensioned") study programmes.

Follow-up on the accreditation from 2014 will be a focus area for 2015. The IT University plans to restructure and intensify the collaboration with the employers and to make organisational changes that will contribute to ensuring that strategic targets are achieved.

A moderate increase is expected in study activities (full-time student equivalents) in 2015, but owing to the unpredictability of the effects of the Study Progress Reform, the uncertainty related to the study activities is greater than in previous years.

In the area of research, focus will be on increasing external research funding.

The Board of Directors has approved a budget, recording a deficit of DKK 1.8 million for 2015 and equity of DKK 46.8 million. It is expected that equity will amount to approx. 17 per cent of income, which is just below the level of 18 per cent pursued by the university in view of the uncertainties associated with the budget assumptions.

3. FINANCIAL STATEMENTS

3.1 ACCOUNTING POLICIES

Basis of reporting

The annual report of the IT University has been prepared in accordance with Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities, as amended.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Costs are allocated in accordance with "Guidelines on allocation of universities' costs to main areas and purposes", February 2012.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the university and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item, see page 19.

In recognising and measuring assets and liabilities, probable economic benefits and liabilities occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Foreign currency translation

Receivables, payables and other items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Corporation tax and deferred tax

The IT University is not liable to pay tax.

INCOME STATEMENT

ITEMS OF INCOME

General matters

The income of the IT University includes government grants for basic research, grants per student and operating income from the ordinary government appropriation. In addition, the university receives donations and grants, income from cooperation agreements, student fees from part-time programmes and income from other commercial activities.

Government grants

The IT University is entitled to government grants, and the grants to the university are disclosed in the Finance and Appropriation Act. Grants are recognised as income in the period to which they relate.

Grants per student are paid on account on a monthly basis based on the anticipated number of full-time equivalents. Every year in October, the actual production of full-time equivalents is calculated, and the on-account payments are adjusted.

External grants and donations

Grants and commitments, including income from cooperation agreements subject to conditions of use by the grantor, are recognised as income as the costs are paid.

Grants that are not subject to conditions are recognised as income at the time of receipt.

Financial income

Financial income comprises return in the form of interest and dividend from investments in shares, bonds and investment fund shares as well as value adjustments of securities recognised at the quoted price of the individual securities at the balance sheet date.

Tuition fees for part-time programmes, other commercial activities and rental income

The income is recognised in the period to which it relates.

Costs

Costs include external costs incurred for the activities of the year. Costs comprise staff costs, consumables, services, insurance premiums, maintenance costs and other operating costs of running the university.

Costs are allocated to purposes in accordance with principles stipulated by the Ministry of Higher Education and Science. The aim is that as much of the IT University's costs as possible should be attributed directly to external/study-related purposes, i.e. education, research, dissemination and knowledge sharing. Costs that cannot be attributed directly to these categories will be allocated by means of cost allocation keys.

BALANCE SHEET

Intangible assets

Software is capitalised when it is vital to the task handling of the university, and when its size and useful life are significant.

Only costs related to the development process and which result in a real increase in value are capitalised. Costs incurred during the initial phase and the phases of operation are recognised as expense.

Software is measured at cost less accumulated amortisation. Amortisation is provided on a straight-line basis over the expected useful lives of the assets from the date when the assets are available for use. The expected useful life is five years.

Property, plant and equipment

IT and AV equipment, machinery, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition as well as costs for preparing the assets for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

IT and AV equipment	3 years
Machinery, IT systems and tools and equipment	5 years
Leasehold improvements	10 years

Assets with a cost of less than DKK 100,000 per item are expensed in the year of acquisition. For this purpose, the IT University does not aggregate assets.

Investments

Investments in subsidiaries

Entities in which the university holds the majority of the votes or in some other way exercises control are considered subsidiaries. Investments in subsidiaries are recognised and measured at cost.

Impairment write-downs

The carrying amount of intangible assets, property, plant and equipment and financial assets is subject to an annual test for indications of impairment. Impairment losses are recognised in the income statement.

Securities

Securities comprise investments in bonds, shares and investment fund shares that are recognised in accordance with the quoted price of the individual securities at the balance sheet date, including accrued interest.

Collections and works of art

The IT University has received works of art from various donors. In accordance with the accounting rules of the Government, these works of art are not recognised at a value.

Receivables

Receivables are measured in the balance sheet at nominal value less write-down for bad debt losses. Write-down for bad debt losses is based on an individual assessment of receivables.

Externally funded activities in progress

On an ongoing basis, the IT University enters into agreements with businesses, public institutions and private organisations on research activities. The activities funded by the grantor are set out in the agreements. To the extent that the IT University incurs costs for activities that are funded under the agreements, but for which the grants have not yet been paid, the grants to which the IT University has obtained a right are recognised as receivables from externally funded activities in progress.

Grants received, covering costs that have not yet been paid, are recognised as prepaid restricted grants.

The IT University charges a fee to cover overhead costs related to grant activities. The fee is recognised as income as the grants are used.

Provision for bad debt losses is made on the basis of an individual assessment of the individual externally funded activities in progress and as a general provision for unforeseen losses. The provision is set off against receivables from externally funded activities.

Prepayments and deferred income

Prepayments comprise costs incurred concerning subsequent financial years. Prepaid costs relate to rent, insurance premiums, subscriptions and prepaid wages and salaries, etc.

Deferred income comprises payments received concerning income in subsequent years.

Liabilities

Liabilities other than provisions are measured at amortised cost, which is in all material respects equivalent to the nominal value.

Provisions

Provisions are recognised when, as a result of past events, the university has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Contingent liabilities

Contingent liabilities include liabilities related to leases and pending litigation against the university that the university will most likely not have to settle.

Cash flow statement

The cash flow statement shows the university's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the university's cash and cash equivalents at the beginning and end of the year. The cash flow statement cannot be derived solely from the published accounting records.

Cash flows from operating activities

Cash flows from operating activities are calculated as the surplus for the year adjusted for non-cash items, such as depreciation, amortisation and impairment losses, as well as changes in working capital, interest received and interest paid. Working capital comprises current assets, excl. cash and cash equivalents less current liabilities other than provisions.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from incurrence and repayment of non-current liabilities other than provisions as well as securities.

3.2 INCOME STATEMENT
1 JANUARY – 31 DECEMBER

Note		2014 DKK'000	2013 DKK'000
	Education	141,809	148,441
	Research	115,289	111,358
	Operating grant	1,566	1,577
	Other purposes	-3,628	-3,959
	Other income	3,733	2,968
1	**Income**	**258,769**	**260,385**
	Education	122,151	118,949
	Research	99,758	99,109
	Dissemination and knowledge sharing	8,024	9,060
	General management, administration and service	31,001	30,418
2	**Total ordinary operating costs**	**260,934**	**257,536**
	Surplus on ordinary activities	**-2,165**	**2,849**
3	Financial income	2,262	1,585
4	Financial expenses	0	46
	Surplus for the year	**97**	**4,388**

3.3 BALANCE SHEET AT 31 DECEMBER
ASSETS

Note		2014 DKK'000	2013 DKK'000
5	Software	3,719	2,111
	Intangible assets	**3,719**	**2,111**
6	Leasehold improvements	290	333
6	IT equipment	1,634	1,853
6	Fixtures and fittings, tools and equipment	49	144
	Property, plant and equipment	**1,973**	**2,330**
7	Investments in subsidiary	5,000	0
	Investments	**5,000**	**0**
	Non-current assets	**10,692**	**4,441**
	Trade receivables, etc.	3,410	4,076
	Receivable from subsidiary	71	0
	Other receivables	3,556	3,949
	Receivables from externally funded activities	6,043	5,235
9	Prepayments	1,835	1,823
	Receivables	**14,915**	**15,083**
	Securities	89,943	87,724
	Deposited at fund manager	293	300
	Cash at bank	18,599	43,156
	Cash at bank and in hand	**108,835**	**131,180**
	Current assets	**123,750**	**146,263**
	Total assets	**134,442**	**150,704**

BALANCE SHEET AT 31 DECEMBER
EQUITY AND LIABILITIES

Note		2014 DKK'000	2013 DKK'000
	Equity at 1 January	48,466	44,078
	Retained surplus	97	4,388
	Equity	**48,563**	**48,466**
10	Provision for re-establishment	2,781	2,829
	Provisions	**2,781**	**2,829**
	Trade payables	8,422	18,252
	Balance with the Government	18,606	20,773
11	Other payables	9,653	14,127
	Holiday allowance	21,570	20,021
	Prepaid restricted grants	24,847	26,215
	Deferred income	0	21
	Current liabilities	**83,098**	**99,409**
	Liabilities	**83,098**	**99,409**
	Total equity and liabilities	**134,442**	**150,704**

8	Commercial activities
12	Employee matters
13	Mortgages and collateral
14	Contractual obligations
15	Contingent liabilities and other liabilities
16	Related parties
17	Separate financial statements for research activities funded by grants, etc. (section 10.2.12)
18	Additional factors set out in Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities, as amended.

3.4 CASH FLOW STATEMENT 1 JANUARY – 31 DECEMBER

Note		2014 DKK'000	2013 DKK'000
	Surplus for the year	97	4,388
	Reversal of items with no cash-flow effect:		
6	Depreciation, amortisation and impairment losses on non-current assets	1,728	1,603
	Change in provisions	-48	-955
	Change in operating capital:		
	Change in receivables, etc.	168	-506
	Change in current liabilities other than provisions	-16,311	25,478
	Cash flows from operating activities	**-14,366**	**30,008**
5	Acquisition of intangible assets	-2,252	-1,949
6	Acquisition of property, plant and equipment	-727	-1,135
7	Acquisition of investments	-5,000	0
	Cash flows from investing activities	**-7,979**	**-3,084**
	Acquisition/disposal/drawing of bonds	-2,219	-36,860
	Deposited at fund manager	7	25,357
	Cash flows from financing activities	**-2,212**	**-11,503**
	Change in cash and cash equivalents	**-24,557**	**15,421**
	Cash and cash equivalents at the beginning of the year	43,156	27,735
	Cash and cash equivalents at year end	**18,599**	**43,156**

3.5 STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER

	2014 DKK'000	2013 DKK'000
Retained surplus at 1 January	48,466	44,078
Surplus for the year	97	4,388
Retained surplus at 31 December	48,563	48,466
Equity at 31 December	**48,563**	**48,466**

3.6 NOTES

1. INCOME

	2014 DKK'000	2013 DKK'000
Full-time education	126,855	132,554
Part-time education	4,800	5,284
Tuition fee, part-time education	9,876	10,358
Exchange students	278	245
Education	**141,809**	**148,441**
Basic research grants	87,860	86,439
Research	**87,860**	**86,439**
Research activities funded by grants	27,429	24,742
Other activities funded by grants	0	177
External research funds	**27,429**	**24,919**
Rental income	1,566	1,577
Operating grant	**1,566**	**1,577**
Other purposes*	-3,628	-3,959
Other purposes	**-3,628**	**-3,959**
Additional activities, sale of notes, conferences, etc.	3,733	2,968
Other income	**3,733**	**2,968**
Total income	**258,769**	**260,385**

** The sum of negative budget adjustments owing to government procurement, financing of vocational training and improved efficiency of the universities' administration (Agreement on the recovery of Danish economy). Section 19.22.45 of the Danish Finance and Appropriation Act 2014 and grants for administration of foreign scholarships.*

2. ORDINARY OPERATING COSTS

	2014 DKK'000	2013 DKK'000
Staff costs	62,125	59,375
Other costs	15,560	20,247
Staff costs, buildings/infrastructure	5,243	4,623
Other costs, buildings/infrastructure	39,223	34,704
Education	**122,151**	**118,949**
Internal funds:		
Staff costs	56,273	52,086
Other costs	9,365	9,519
External funds:		
Staff costs	14,455	12,323
Other costs	3,574	3,420
Staff costs, buildings/infrastructure	3,273	3,166
Other costs, buildings/infrastructure	12,818	18,595
Research	**99,758**	**99,109**
Staff costs	3,278	3,850
Other costs	3,450	3,160
Staff costs, buildings/infrastructure	152	157
Other costs, buildings/infrastructure	1,144	1,893
Dissemination and knowledge sharing	**8,024**	**9,060**
Staff costs	13,255	14,305
Other costs	12,391	11,409
Staff costs, buildings/infrastructure	747	694
Other costs, buildings/infrastructure	4,608	4,010
General management, administration and service	**31,001**	**30,418**
Ordinary operating costs	**260,934**	**257,536**

Specification according to section 10.2.5:	**2014**	**2013**
Education	122,151	118,949
Research	99,758	99,109
Government assignments	0	0
Other purposes	39,025	39,478
Total costs	**260,934**	**257,536**

Note: In 2014, the IT University took over the fifth floor at Rued Langgardsvej 7. In this connection, the allocation key for allocating costs, including costs related to buildings, was changed. As a result, the allocation now complies with "Guidelines on allocation of universities' costs to main areas and purposes" December 2012, which means that the figures for 2014 are not immediately comparable with the figures for 2013.

3. FINANCIAL INCOME

	2014 DKK'000	2013 DKK'000
Interest income from bank deposits and return on investments	2,262	1,585
Total	**2,262**	**1,585**

4. FINANCIAL EXPENSES

	2014 DKK'000	2013 DKK'000
Other financial expenses	0	46
Total	**0**	**46**

5. INTANTIBLE ASSETS

DKK'000	Software	Total intangible assets
Cost at 1 January 2014	3,292	3,292
Additions	2,252	2,252
Disposals	0	0
Transferred to/from other items	0	0
Cost at 31 December 2014	**5,544**	**5,544**
Amortisation and impairment losses at 1 January 2014	1,181	1,181
Amortisation and impairment losses	644	644
Disposals	0	0
Amortisation and impairment losses at 31 December 2014	**1,825**	**1,825**
Carrying amount at 31 December 2014	**3,719**	**3,719**
Carrying amount at 31 December 2013	**2,111**	**2,111**

6. PROPERTY, PLANT AND EQUIPMENT

DKK'000	Leasehold improve-ments	IT equipment	Machinery, tools and equipment	Total property, plant and equipment
Cost at 1 January 2014	843	8,605	701	10,149
Additions	0	727	0	727
Disposals	0	0	0	0
Cost at 31 December 2014	**843**	**9,332**	**701**	**10,876**
Depreciation and impairment losses at 1 January 2014	510	6,752	557	7,819
Depreciation and impairment losses	43	946	95	1,084
Disposals	0	0	0	0
Depreciation and impairment losses at 31 December 2014	**553**	**7,698**	**652**	**8,903**
Carrying amount at 31 December 2014	**290**	**1,634**	**49**	**1,973**
Carrying amount at 31 December 2013	**333**	**1,853**	**144**	**2,330**

Specification of depreciation and amortisation for the year:	
Depreciation on property, plant and equipment, see above	1,084
Amortisation of intangible assets, see note 5	644
Hereof abandoned assets	0
Depreciation and amortisation for the year	**1,728**

7. FINANCIAL ASSETS

DKK 1.000	Investments in subsidiaries	Total financial assets
Cost at 1 January 2014	0	0
Additions	5,000	5,000
Disposals	0	0
Cost at 31 December 2014	**5,000**	**5,000**
Cost at 31 December 2013	**0**	**0**

Investments are specified as follows:

Name	Deficit	Equity	Share capital	Voting rights and ownership
ITU Business Development A/S	-137	4.863	1.000	100 pct.

In 2014, the activity in ITU Business Development A/S solely comprised activities related to the start-up phase and therefore, the realised deficit of DKK 137 thousand is considered a natural consequence of the start-up phase, and there is no indication of impairment.

8. COMMERCIAL ACTIVITIES

	2014 DKK'000	2013 DKK'000	2012 DKK'000	2011 DKK'000
Lease of premises, events, parking, etc.	3,524	2,098	556	342
Commercial activities at 31 December	**3,524**	**2,098**	**556**	**342**

9. PREPAYMENTS

Prepayments consist of prepaid costs relating to rent, insurance premiums, subscriptions, etc.

10. PROVISIONS

	2014 DKK'000	2013 DKK'000
Provision for re-establishment of leased buildings	2,781	2,829
Total	**2,781**	**2,829**

11. OTHER PAYABLES

	2014 DKK'000	2013 DKK'000
Salary payable	1,163	1,178
Personal taxes payable, etc.	1,957	2,538
VAT payable	0	3,326
Deposits	1,039	856
Deferred income	640	465
Audit fees owing	165	204
Student print owing	114	157
Other liabilities	3,229	3,880
Fixed-term employment bonus	1,346	1,523
Total	**9,653**	**14,127**

12. EMPLOYEE MATTERS

	2014 DKK'000	2013 DKK'000
Wages and salaries	141,515	134,860
Pensions	17,286	15,719
Other social security costs	1,007	816
Total	**159,808**	**151,395**
Remuneration to:		
Management (3 members)*	3,532	3,578
Board of Directors (9 members (net 5))	360	359
Total	**3,892**	**3,937**

** In addition, in 2014, a fixed-term employment bonus of DKK 393 thousand was paid to Management. Fixed-term employment bonus paid has been earned over a six-year period and, in connection with payment of this bonus, it is deducted from the provision for fixed-term employment bonus; see note 11 above.*

Staff turnover and composition

	2014	2013	2012	2011
Full-time equivalents	322	307	284	271
Number of employees	550	531	497	492
New staff members	358	320	286	271
Resigned staff members	314	301	276	233

13. MORTGAGES AND COLLATERAL

The IT University has not provided any mortgages or collateral.

14. CONTRACTUAL OBLIGATIONS

In 2001, the IT University entered into a lease with the Government. The lease could not be terminated until 1 July 2013 at the earliest. The lease is subject to section 60 of the Danish Rent Act, and after the non-cancellable period, the lessee may terminate the lease at three months' notice.

15. CONTINGENT LIABILITIES AND OTHER LIABILITIES

For 32 collectively funded PhD students of a total of 48 PhD students, the IT University guarantees payment of the salaries for the students for the three-year period during which their employment contracts are non-terminable by the university (alternatively spread over four years under the 4+4 scheme). The liability may become relevant if the payroll costs are not covered by businesses or institutions that have entered into education agreements with the university.

The IT University employs one civil servant, which means that the university is under an obligation to provide redundancy payment for 36 months in case of dismissal. The redundancy payment cannot exceed DKK 2,279 thousand.

The IT University is covered by the central government's self-insurance principle and has taken out liability insurance for members of the Board of Directors and Management.

16. RELATED PARTIES

Related parties	Basis
The Danish Ministry of Higher Education and Science	Grants for research and teaching activities. Powers under the Danish University Act.
The Danish Ministry of Education	Grants for teaching activities. Powers under the Danish Act on Open Education.
Board of Directors and day-to-day management	Management control.
The Finance Committee of the Danish Parliament (Folketinget)	

Transactions

In 2014, the transactions of the IT University with the Ministry of Higher Education and Science consisted of grants totalling DKK 215.0 million. In addition, a refund of DKK 6.4 million was received regarding non-deductible VAT. In 2013, the IT University received grants of DKK 218.8 million and a refund of DKK 4.3 million regarding non-deductible VAT.

In 2014, the transactions of the IT University with the Danish Ministry of Education consisted of income in the form of grants totalling DKK 1.8 million. In 2013, the IT University received grants of DKK 1.9 million from the Danish Ministry of Education.

17. SEGMENT INFORMATION

Separate financial statements for research activities funded by grants, other activities funded by grants, income from commercial activities and forensic medical examinations.

The segment information disclosed below is in compliance with the requirements of s. 10(2.12) of Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities.

DKK'000	2014	2013
UK 10 – Ordinary activities		
Income	226,451	231,818
Costs	-238,497	-238,784
Internal net transfer of overheads	7,220	6,797
Institution internal net transfer	1,290	1,388
Surplus/deficit before financial income and expenses	**-3,537**	**1,219**
UK 90 – Income from commercial activities		
Income	3,491	3,467
Costs	-2,065	-1,846
Internal net transfer of overheads	0	0
Institution internal net transfer	0	0
Surplus before financial income and expenses	**1,426**	**1,621**
UK 95 – Research activities funded by grants		
Income	27,967	24,702
Costs	-19,461	-16,517
Internal net transfer of overheads	-7,220	-6,797
Institution internal net transfer	-1,290	-1,388
Surplus/deficit before financial income and expenses	**-3**	**0**
UK 97 – Other activities funded by grants		
Income	860	398
Costs	-911	-389
Internal net transfer of overheads	0	0
Institution internal net transfer	0	0
Surplus/deficit before financial income and expenses	**-51**	**9**
Total		
Income	258,769	260,385
Costs	-260,934	-257,536
Total OH	0	0
Total institution transfers	0	0
Surplus/deficit before financial income and expenses	**-2,165**	**2,849**

Income and costs (notes 1 and 2) are allocated to purpose, whereas the above income and costs are allocated to sub-accounts. Thus, there is no clear link between the individual sub-account and a specific purpose.

As income from activities funded by grants (sub-accounts 95 and 97) is recognised as the grants are used, no surplus for the year after financial income and expenses is in principle recorded for these sub-accounts.

Construction projects adopted by the Finance Committee of the Danish Parliament:

The IT University does not have any construction projects.

18. ADDITIONAL FACTORS

Additional factors set out in Executive Order No. 1281 of 15 December 2011 on Grants and Auditing, etc., of Universities.

SECTION 10.2.2:
Information on total balances of grants, etc., for which the university acts as a secretariat.

The IT University does not manage grants, etc.

SECTION 10.2.3:
Summary of the costs of the university for student political activities and other student activities.

In 2014, the IT University allocated an amount of DKK 87,628 to the student political organisation StupIT.

SECTION 10.2.6:
Information on funds provided to foundations the main purpose of which is to establish housing near the university pursuant to section 10(2) of the Danish act on the commercial activities of public research institutions and cooperation with foundations.

The IT University is not involved in any special activities in this respect.

SECTION 10.2.7:
Costs for the administration of foundations and associations.

The IT University has no costs for the administration of foundations and associations.

SECTION 10.2.8:
Information on the institution's investment in and acquisition of shares in companies; for the year and accumulated.

In 2014, the IT University established the company ITU Business Development A/S with a capital contribution of DKK 5,000,000.

SECTION 10.2.9:
Information on the institution's income and costs in relation to the companies mentioned in (8) above.

In 2014, the IT University did not generate income or incur costs from ITU Business D evelopment A/S.

SECTION 10.2.10:
Information on funds used for free university places and scholarships broken down by full-time equivalents under different schemes and the amount of scholarships paid, respectively.

Free university places and scholarships	**2014**	**2013**
Number of students enrolled for free university places at 30/9	7	4
Number of full-time equivalents in free university places (scheme 3)	5	2
Total amount paid in scholarships (DKK'000)	513	233

SECTION 10.2.11:
Information on study programmes offered by the university abroad.

The IT University does not offer any programmes abroad.

Information on Erasmus Mundus students, see letter dated 15 June 2010 from the Danish Agency for Universities and Internationalisation and letter dated 16 December 2014 on the annual report for 2014:

The IT University does not participate in Erasmus Mundus programmes and has therefore no students in this category.

3.7 FINANCIAL HIGHLIGHTS

Summary of financial highlights, cf. section 10(2)(4)

Income* (DKK'000)	2014	2013
Education	141,809	148,441
Research	87,860	86,439
External funds	27,429	24,919
Research-based government consultancy services	0	0
Basic grant	-3,628	-3,959
Other income	5,299	4,545

** The key figures have been specified; see Table A in the Statistics of Universities Denmark*

Costs allocated to purpose* (DKK'000)	2014	2013
Education	120,961	118,173
Research	99,373	98,369
Dissemination and knowledge sharing	7,989	8,978
Government consultancy services	0	0
General management, administration and service	28,851	28,230

** The key figures have been calculated in accordance with letter dated 18 January 2013 from the Danish Agency for Universities and Internationalisation on 'Update of the summary of financial highlights in the annual report of the universities' and cannot be compared with the specification of costs in note 2 as certain items of income are offset.*

Staff (full-time equivalents)	2014	2013
VIP	143.2	130.7
DVIP	41.1	41.5
Other full-time equivalents	137.9	134.7

Balance sheet (DKK'000)	2014	2013
Equity	48,563	48,466
Balance sheet	134,442	150,704

Buildings	2014	2013
Buildings, total square metres, net	23,352	23,352

Bachelor and MSc students for the period 1 October to 30 September	2014	2013
Number of admitted bachelor students	239	204*
Number of admitted MSc students	441	472
Number of students enrolled at 30 September	1,915	1,894
Number of full-time equivalents (incl. guest students)	1,244	1,261

** Deviates from Table 3 as only the number of students admitted via the coordinated enrolment system (KOT) is shown.*

Graduated bachelor and MSc students for the period 1 October to 30 September	2014	2013
Number of graduated bachelor students	139	136
Number of graduated MSc students	368	324

Part-time students (diploma, masters, single courses) for the period 1 October to 30 September	2014	2013
Number of admitted diploma and master's students	146	137
Number of fee-paying part-time students	510	612
Number of full-time student equivalents obtained by part-time students	111	125
Number of graduated diploma and master students	50	75

Internationalisation for the period 1 September to 31 August	2014	2013
Number of exchange students outbound (incl. exchange grants)	85	81
Number of exchange students inbound	17	21
Number of foreign students at 30 September	289	272

Researcher education	2014	2013
Number of PhD students enrolled at 31 December	51	51
Number of PhD students admitted for the year	17	11
Number of approved PhD theses for the year	12	22

Research and dissemination results	2014	2013
Number of research publications	290	267
Number of patents applied for	0	0
Number of inventions registered	3	2
Number of projects involving the business community	11	15
Number of external projects	56	55
Financial cooperation with the business community (DKK'000)	1,711	1,257

4. TARGET ACHIEVEMENTS

4.1 SUMMARY OF TARGET ACHIEVEMENTS

Follow-up on target performance for 2012-2014
Follow-up as of 31 December 2014.

The target reporting in the chart below reflects the performance for 2014. Moreover, the target achievements for 2012 and 2013 are shown.

Signature:
The target is achieved in 2014.
The target is not achieved in 2014.

Target	Description	Comments	Status
T1	The total drop-out rate for first-year bachelor students at the IT University does not exceed 15 per cent provided that the annual number of admitted students does not exceed 200. For years in which admission exceeds 200 students, the target is that the number of first-year drop-outs should not exceed 30 + (x-200)/3, where x is the number of students admitted.	In 2014, there are 43 drop-outs of the 204 bachelor students admitted in 2013, corresponding to a drop-out rate of 21 per cent. The number of drop-outs may not exceed 31. In 2013, there were 29 drop-outs of the 217 bachelor students admitted in 2012, corresponding to a drop-out rate of 13 per cent. The number of drop-outs might not exceed 35. In 2012, the number of first-year drop-outs in the bachelor study programmes was 36 students at 1 October 2012. As 212 bachelor students were admitted in 2011, the number of drop-outs at 1 October 2012 might not exceed 34.	✗

Target	Description	Comments	Status
T2	The employment rate for MSc graduates from the IT University who graduated not more than four years ago must be at least one percentage point higher than the national average for the same period for all MSc graduates from Danish universities. This applies to each of the years in the contract period.	The employment rate for MSc students who graduated not more than four years ago was calculated by the Danish Agency for Science, Technology and Innovation for 2012. Similar calculations have not been made for 2013 and 2014. According to the development contract, targets have been achieved if they have been subject to changes during the term of the development contract owing to changes to the methods used that have not been decided by the IT University. Therefore, the target is achieved in 2013 and 2014. In 2012, the employment rate of MSc graduates from the IT University was three percentage points lower than the national average.	
T3	The number of admitted MSc students graduating from other education institutions than the IT University must be at least 75 per cent of the budgeted total number of admitted MSc students. Moreover, the number of admitted MSc students from other Danish education institutions than the IT University must be at least 50 per cent of the budgeted total number of admitted MSc students. This applies to each of the years in the contract period.	In 2014, the number of admitted MSc students from other education institutions than the IT University is 79 per cent of the budgeted total number of admitted MSc students. In 2013, the share was 81 per cent and in 2012, 91 per cent. In 2014, the number of admitted MSc students from other Danish education institutions than the IT University is 68 per cent of the budgeted total number of admitted MSc students. In 2013, the share was 66 per cent and in 2012, 78 per cent.	

Target	Description	Comments	Status
T4	The percentage of bachelor students who completed their degree within the standard programme duration (measured as in the statistics of Universities Denmark) must be at least 50 per cent of the students admitted. This applies to each of the years in the contract period.	In 2014, 49 per cent of the 213 bachelor students who were admitted in 2011 complete their degree within the standard programme duration. In 2013, 60 per cent of the 199 bachelor students who were admitted in 2010 completed their degree within the standard programme duration. In 2012, 59 per cent of the 123 bachelor students who were admitted in 2009 completed their degree within the standard programme duration.	
T5	The minimum target for MSc students completing their degree within the standard programme duration plus one year is 58 per cent in 2012, 60 per cent in 2013 and 63 per cent in 2014.	In 2014, 64 per cent of the 417 MSc students who were admitted in 2011 complete their degree within the standard programme duration plus one year. In 2013, 59 per cent of the 418 MSc students who were admitted in 2010 completed their degree within the standard programme duration plus one year. In 2012, 65 per cent of the 335 MSc students who were admitted in 2009 completed their degree within the standard programme duration plus one year.	
T6	The IT University aims to earn income for research activities from sources other than the Danish Government of at least DKK 5.5 million in 2012, at least DKK 6.1 million in 2013 and at least DKK 6.7 million in 2014.	In 2014, external funding for research activities from sources other than the Danish Government amounts to DKK 9.4 million. In 2013, external funding for research activities from sources other than the Danish Government amounted to DKK 6.4 million, and DKK 7.9 million in 2012.	

Target	Description	Comments	Status
T7	The IT University will participate in at least eight open innovation projects in 2012, 11 in 2013 and 14 in 2014.	In 2014, the IT University participates in 14 open innovation projects: The City of Copenhagen, DemTech, ACTULUS, BOSA, Computer-mediated Innovation, VARIES, Eye-tracking for Mobile Devices, The Role of Community-based Communication in Relational Maintenance, EVOBLISS, industrial PhD students Tiij Slaats, Gry Anja Bauer and Christian Østergaard Madsen, one co-financed PhD student Sofie Stenbøg, and one externally funded PhD student Aslak Johannesen. In 2013, the IT University participated in 13 open innovation projects, and eight in 2012.	
T8	The IT University will produce at least 152 bibliometric points in 2012, 166 in 2013 and 180 in 2014.	It is too early to determine whether the target for 2014 is achieved as the number of bibliometric points will be calculated by the Danish Agency for Science, Technology and Innovation in the autumn 2015. The IT University produced 190 bibliometric points in 2013 and 159 points in 2012.	

Target	Description	Comments	Status
T9	The IT University will attract and use external research funding of at least DKK 30 million in 2012, DKK 35 million in 2013 and DKK 40 million in 2014.	In 2014, the total external research funding amounts to DKK 27.4 million, which was DKK 12.6 million below the target. In 2013, the total external research funding amounted to DKK 24.7 million, which was DKK 10.3 million below the target. In 2012, the total external research funding amounted to DKK 26.2 million, which was DKK 3.8 million below the target.	
T10	On average, the students' response to the quantitative questions in the course evaluation should be at least 4.75 on a scale from one to six. This applies to each of the years in the contract period.	On average, the response to the quantitative questions is 4.79 in 2014. On average, the response to the quantitative questions was 4.72 in 2013 and 4.74 in 2012.	
T11	Generally, the staff satisfaction score of the IT University in 2013 should be at least 72 or equivalent.	Overall, the staff satisfaction score of the IT University was 72 in 2013.	
T12	At least three additional professorships will be advertised and filled by the end of 2014 so that the university staff will include at least six professors at the end of 2013 and at least eight professors at the end of 2014.	At the end of 2014, eight professors are employed at the IT University. At the end of 2013, five professors were employed, and contracts were signed with two additional professors who started in the beginning of 2014.	

Target	Description	Comments	Status
T13	During 2012, at least 30 per cent of all the assistant professors, associate professors and professors at the IT University (measured in full-time equivalents) will participate in formal globally interactive research projects outside Europe and the USA. In 2013, the rate should be at least 33 per cent, and in 2014, at least 36 per cent.	In 2014, the assistant professors, associate professors and professors of the IT University amont to 68.9 full-time equivalents. Of these, researchers corresponding to 28.9 full-time equivalents participate in formal globally interactive research projects outside Europe and the USA. This corresponds to 41.9 per cent. In 2013, the assistant professors, associate professors and professors of the IT University amounted to 52.4 full-time equivalents. Of these, researchers corresponding to 20.6 full-time equivalents participated in formal globally interactive research projects outside Europe and the USA, corresponding to 39.3 per cent. In 2012, the assistant professors, associate professors and professors of the IT University amounted to 50.3 full-time equivalents. Of these, researchers corresponding to 15.3 full-time equivalents participated in formal global interactive research projects outside Europe and the USA, corresponding to 30.5 per cent.	
T14	During 2012, as part of their study at the IT University, at least 100 students will complete globally interactive learning activities at the IT University or obtain ECTS credits for study activities completed at universities abroad. For each of the subsequent years, the number will increase by 20 to 140 students in 2014.	In 2014, 217 students participate in globally interactive learning activities at the IT University, and 90 students obtain ECTS credits for having completed studies abroad. In 2013, 245 students participated in globally interactive learning activities at the IT University, and 64 students obtained ECTS credits for having completed studies abroad. In 2012, 120 students participated in globally interactive learning activities at the IT University, and 58 students obtained ECTS credits for having completed studies abroad.	

Target	Description	Comments	Status
T15	The ratio (full-time student equivalents) / (full-time teaching equivalents) for non-outsourced study programmes will be at least 14.4 in 2012, at least 15.0 in 2013 and at least 15.7 in 2014.	The ratio (full-time student equivalents = 1,236) / (full-time teaching equivalents = 73.82) amounts to 16.8 in 2014. The ratio (full-time equivalents + student years = 1,182) /(full-time teaching equivalents = 67.34) amounted to 17.5 in 2013. The ratio (full-timestudent equivalents = 1,182) / (full-time teaching equivalents = 60.65) amounted to 17.6 in 2012.	
T16	Administrative expenses will be reduced from 13.3 per cent in 2009 to maximum 12.7 per cent in 2012 and maximum 12.2 per cent in 2013 and 2014.	Administrative expenses calculated in accordance with the PwC method from May 2011 amount to 11.2 per cent in 2014. In 2013, administrative expenses were 11.1 per cent and in 2012, 11.6 per cent.	

4.2 DISCUSSION OF TARGET ACHIEVEMENTS

Background

In the development contract for the period 2012-2014, the IT University had made an agreement with the Ministry of Higher Education and Science on 16 targets. In 2014, the IT University achieved 13 of the 16 targets. Below, the three targets that the IT University did not achieve in 2014 are described.

Target 1: Drop-out rate for first-year bachelor students

The total drop-out rate for first-year bachelor students at the IT University does not exceed 15 per cent provided that the annual intake does not exceed 200 students. For years in which the intake exceeds 200 students, the target is that the number of first-year drop-outs should not exceed 30 + (x-200)/3, where x is the number of students admitted.

In 2014, there were 43 drop-outs of the 204 bachelor students admitted in 2013, corresponding to a drop-out rate of 21 per cent. The number of drop-outs may not exceed 31. Drop-outs comprised 20 bachelor students in the Digital Media and Design study programme, 12 bachelor students in Global Business Informatics and 11 bachelor students in Software Development.

Target 4: Bachelor graduation rate

The percentage of bachelor students who completed their study within the standard programme duration (measured in accordance with the method used by Danish Universities) must be at least 50 per cent of the students admitted. This applies to each of the years in the contract period.

The target was achieved in 2012 with 59 per cent of the bachelor students and in 2013 with 60 per cent; however, in 2014, the target was narrowly missed with 49 per cent of the 213 bachelor students admitted in 2011 having completed their bachelor study programme within the standard programme duration.

It is expected that, following the implementation of the Study Progress Reform, the number of students completing the study within the standard programme duration will increase.

Target 9: External research funding

The IT University will attract and use external research funding of at least DKK 30 million in 2012, DKK 35 million in 2013 and DKK 40 million in 2014.

The total external research funding amounted to almost DKK 27 million in 2014, which is a decrease of approximately DKK 13 million compared to the target of DKK 40 million. However, compared to 2013, external research funding has increased by DKK approximately three million.

As desired, the university has experienced an upward trend; however, the growth rate is not in line with the target set. This is attributable to the fact that, in previous years, the IT University did not attract sufficient external research funding.

The IT University aims to continue the growth in external research funding and has taken several initiatives to ensure a significant increase.

Development contract 2015-2017

In January 2015, the IT University entered into a new development contract with the Danish Minister of Higher Education and Science on 12 targets for the period 2015-2017.

APPENDIX 1

THE IT UNIVERSITY'S POSITION ON "RECOMMENDATIONS FOR GOOD UNIVERSITY GOVERNANCE IN DENMARK"

Recommendation	The IT University	Comments/"weak points"
3.1 The strategic tasks, responsibilities and composition of the Board of Directors of the university		
3.1.1 The overall responsibility of the Board of Directors	Implemented in sections 7 and 9(2) of the articles of association.	
3.1.2 The tasks of the chairman of the Board of Directors	Implemented in section 9 of the articles of association and section 12 of the rules of procedure.	
3.1.3 Rules of procedure	Implemented in the rules of procedure. However, some of the items in the rules of procedure, for which adjustment is recommended, have been adjusted in the articles of association (the role of the chairman and possibly the role of the deputy chairman).	The Management will participate in the meetings of the Board of Directors, but the rules of procedure (or the articles of association) do not include a specific description of the participation of the Management in the meetings of the Board of Directors.
3.1.4 Recruitment of Board members	Implemented in addendum 1 to the articles of association.	
3.1.5 Training of new Board members	Implemented in section 3 of the rules of procedure.	
3.1.6 Number of Board members	Implemented in section 5 of the articles of association.	
3.1.7 The Board of Directors' independence	Implemented in section 3 of addendum 1 to the articles of association. However, the Board of Directors has approved a procedure for handling cases in situations involving any financial interests of Board members already appointed.	The item should be highlighted in yellow, not red, as the recommendation is followed on recruitment of new Board members (addendum 1 to the articles of association).
3.1.8 Meetings	Implemented in the meeting and work schedule.	
3.1.9 Age limit	Implemented in section 2 of the rules of procedure.	

Recommendation	The IT University	Comments/"weak points"
3.1.10 Self-evaluation of the work of the Board of Directors, evaluation of day-to-day operations	Implemented in section 5(1) of the rules of procedure.	
3.1.11 Remuneration of Board members A.1) The committee considers it appropriate not to distinguish between the Board members in terms of remuneration as this may cause unintentional "hierarchy". It is therefore recommended that the same remuneration be paid to internal and external Board members	A.1) The IT University does not pay remuneration to internal Board members according to the recommendations.	A.1) Remuneration paid to internally elected Board members is not allowed, and therefore, the IT University does not have the powers to follow the recommendation.
3.1.12 Openness A.1) It is recommended that the meetings should be held behind closed doors and that only Board members and members of the senior management of the university should have access unless decisions are made to the contrary.	A.1) Meetings of the Board are generally open to everybody, which is contrary to the recommendations.	A.1) It is stipulated by the Ministry of Higher Education and Science that, in general, the meetings should be open. The IT University is therefore unable to follow the recommendation.
A.2) It is recommended that the annual report should include information on the governance structure of the university (the governing bodies and their interrelations) and its financial situation. The annual report should also include information on the position, age and other managerial posts of the Board members – both Danish and foreign.	A.2) This information is included in the annual report. The governance structure of the university is described in Appendix 2, and information on the Board members is found in Section 1.1 University details.	

Recommendation	The IT University	Comments/"weak points"
A.3) It is recommended that the Board of Directors should establish guidelines and official mechanisms for whistle-blowing.	A.3) The IT University has discussed and decided on guidelines on whistle-blowing.	A.3) At the H-SiSu meeting on 10 June 2010, a memo on whistle-blowing was presented and rejected because the IT University has several open bodies which may be approached by students and staff.
3.1.13 Audits A.1) It is recommended that the Board of Directors should establish the overall framework of the planning of the audit, including the use of private firms of accountants.	A.1) It is suggested in section 31(1) of the articles of association that "the Board of Directors may employ external assistance for the control and management of the budgets and financial reporting of the IT University". The Board of Directors has decided to employ such external assistance (EY).	

3.2 The relationship between the university's Board of Directors and the external stakeholders of the university

3.2.1 The general relationship of the university with stake-holders A.1) It is recommended that the Board of Directors should establish general principles and values for the relationship of the university with its stakeholders.	A.1) The core values of the IT University: • Communication strategy (discussed at a board seminar in June 2012). • Commercialisation strategy (approved by the Board of Directors at a strategy seminar in June 2005 and most recently discussed at the strategy seminar in September 2013).	

Recommendation	The IT University	Comments/"weak points"
A.2) It is recommended that the Board of Directors should ensure that these principles and values are complied with in the external relations of the university and that the Board of Directors together with the senior management should have an ongoing dialogue and a close relationship with the stakeholders of the university in this respect.	A.2) Both the Employers' Panel and the Foresight Panel were introduced to these principles, and the principles are represented strongly in the dialogue via this Board and Panel (and with stakeholders).	
A.3) It is recommended that the Board of Directors should approve and publish a specific information and communications policy in relation to the stakeholders of the university.	A.3) This recommendation is followed by holding open Board meetings (section 9 of the rules of procedure) and via a communications policy (section 11 of the rules of procedure).	
3.2.2. The Government		
A.1) It is recommended that the Board of Directors should prepare procedures to ensure that the Government, including the Ministry of Higher Education and Science, receives the information required in order to monitor and follow up on the general development of the university as part of the total university sector in Denmark. This can be carried out for example in connection with the preparation of the development contract and the annual report of the university, but may not be limited to these.	A.1) The IT University supplies • Development contract • Annual report • Ongoing reporting	A.1) In addition to the development contract and the annual report, the IT University supplies monitoring information to the Ministry on an ongoing basis.

Recommendation	The IT University	Comments/"weak points"
A.2) It is recommended that the Board of Directors should take active responsibility for the preparation of the development contract of the university and for discussing the contract with the Minister for Higher Education and Science.	A.2) Section 10(1)(18) of the articles of association: "following a presentation from the vice chancellor, the Board of Directors enters into a development contract with the Minister on the activities of the IT University".	
A.3) It is recommended that, in its relations with the Government, the Board of Directors should contribute to promoting: • The desired strengthening of the degree of self-governance of the universities. An obvious starting point is the agreement between the political parties on the university Act. The agreement identifies 10 areas where further self-governance will be possible, e.g. a more flexible staff structure and a simpler system for grants paid per student. • Flexible and efficient administration of the requests and inquiries of the universities. • Regular presentation by the Government of a general policy for the role of the Government in relation to the universities and for the control of the universities by the Government.	A.3) The IT University contributes to this process: • By assuming responsibility to the widest possible degree within the framework of the law • Via the organisation Universities Denmark.	

Recommendation	The IT University	Comments/"weak points"
3.2.3 The business community and the public sector A.1) It is recommended that, as part of its general duties, the Board of Directors should prepare and publish a strategy for the university's relationship and exchange of knowledge with the business community and the public sector, including cooperation on research and transfer of technology. It is the responsibility of the Board of Directors to follow up on the strategy, including assessing whether the university should strengthen the existing cooperation with the business community.	A.1) This will be carried out by means of a commercialisation strategy which has not been published.	A.1) This item is highlighted in yellow because the strategy has not been published. The contract function of the IT University recommends that, on account of the ongoing contract negotiations, the strategy should not be published.
3.2.4 The region A.1) It is recommended that, in relevant contexts such as the strategy plan, the Board of Directors should establish general cooperation principles with the region and create openness on these relations.	A.1) See the strategies of the IT University for research and education.	A.1) This item is highlighted in green as the principles in the strategy documents for research and education also apply to cooperation with the regional government.

Recommendation	The IT University	Comments/"weak points"
3.2.5 Other universities		
A.1) It is recommended that, as a major part of its long-term strategy, the Board of Directors should prepare a plan for the cooperation with universities in Denmark and abroad and other institutions of higher education and prepare specific action plans for this cooperation.	A.1) This has been carried out through addenda to the Education Strategy and Research Strategy, respectively.	
A.2) It is recommended that the chairmen of the Boards of the eight Danish universities should create a forum for exchange of views and experience, including experience with the relationship with the Government.	A.2) This has been implemented.	

3.3 The relationship of the university's Board of Directors with the vice chancellor and other members of the senior management and the Academic Council

3.3.1 The general relations of the Board of Directors to the senior management and the Academic Council.		
A.1) It is recommended that the Board of Directors and the senior management should discuss the general guidelines of the relations between the Board of Directors and the senior management, including distribution of responsibilities, preparation of Board meetings, contact between the Board of Directors and the senior management between meetings, etc.	A.1) The distribution of responsibilities is discussed in connection with the specific cases at the Board meetings. Further, preliminary meetings are held on the same subjects before the Board meetings.	

Recommendation	The IT University	Comments/"weak points"
A.2) It is recommended that the Board of Directors and the senior management should prepare written guidelines on this basis and that these guidelines should be made publicly available at the university. They may also be included in the rules of procedure of the Board of Directors.	A.2) The IT University has no independent formal guidelines on this. However, to some extent, the articles of association and the rules of procedure describe the relations between the Board of Directors and the senior management, which, however, is mainly represented by the vice chancellor. Thus, the IT University has decided that the senior management is represented by the vice chancellor in the cooperation with the Board of Directors, although, in reality, the areas of responsibility are distributed on the members of the Management. The only cases which describe the other members of the senior management in relation to the Board of Directors are: 1) Appointment of members of the Management by the Board of Directors on recommendation by the vice chancellor, section 7(1)(12) of the articles of association. 2) Access to request a meeting of the Board, section 5(1) of the rules of procedure.	A.2) This item is highlighted in yellow in order to attract attention to the fact that the senior management is only represented by the vice chancellor. However, it is unlikely that this approach by the IT University will constitute a problem. Thus the item will be considered to be green.

Recommendation	The IT University	Comments/"weak points"
A.3) It is decisive that the Board of Directors receives the information on the activities of the university which are necessary for the general protection of the interests of the university. It is therefore recommended that the Board of Directors should establish guidelines for the reporting of the senior management to the Board of Directors and for the communication between the senior management and the Board of Directors in general. In all circumstances, the senior management should ensure that all material information is communicated to the Board of Directors irrespective of whether it has been requested or not.	A.3) This is carried out via • The work schedule of the Board of Directors • Section 12 of the rules of procedure: "The chairman of the Board of Directors is responsible for the ongoing contact with the vice chancellor between Board meetings."	A.3) A practice has been established for the reporting and ongoing supply of information from the Management, which means that the Board of Directors will be informed of/ consulted on all important information.
A.4) It is recommended that, in cases where it is considered necessary, the vice chancellor should request a statement from the Academic Council before the case is presented to the Board of Directors.	A.4) A draft budget is presented to the Academic Council before it is presented to the Board of Directors. Further, the Academic Council will discuss cases such as university evaluations of research autonomy and influence before they are presented to the Board of Directors.	
A.5) It is recommended that cases presented by the vice chancellor for decision by the Board of Directors should be final and only require the decision by the Board of Directors. In case of doubt, the Board of Directors should decide which cases it chooses to discuss.	A.5) Implemented in section 6(5) of the rules of procedure.	

Recommendation	The IT University	Comments/"weak points"
3.3.2 The relationship between the chairman of the Board of Directors and the vice chancellor A.1) It is recommended that the chairman of the Board and the vice chancellor should discuss the general guidelines on the relationship between the chairman and the vice chancellor and that these guidelines should be made final and unambiguous by the Board of Directors.	A.1) The IT University has no formal guidelines governing this relationship.	A1) However, the issue is included in the annual self-evaluation of the Board of Directors.
3.3.3 The Board of Directors, the vice chancellor and the external relations of the university A.1) It is recommended that the vice chancellor should carry out the external day-to-day representation of the university in accordance with the general distribution of responsibilities between the Board of Directors and the senior management. The vice chancellor should carry out this task in complete accordance with the instructions and views of the Board of Directors in matters which involve the powers of the Board of Directors.	A.1) Implemented in section 11(4) of the rules of procedure.	

APPENDIX 2
THE STRUCTURE OF THE IT UNIVERSITY AT 31 DECEMBER

The IT University in Copenhagen is governed by a Board of Directors and a Management.

Board of Directors

The Board of Directors of the IT University includes a chairman and eight members. The chairman and four members are external members, one member is elected by and among the science staff at the IT University, one member is elected by and among the technical/administrative staff at the IT University, and two members are elected by and among the students at the IT University.

The Board of Directors is the highest authority of the IT University. The Board of Directors protects the interests of the IT University in its role as an educational and research institution and establishes guidelines for its organisation, long-term activities and development.

Board meetings are public. However, cases which fall within the statutory provisions on secrecy in public administration, all cases related to persons and cases which include information on contract negotiations with private parties or similar negotiations with public partners are handled in confidence.

Vice chancellor

The vice chancellor answers to the Board of Directors on all matters and is responsible for the day-to-day management of the IT University within the framework stipulated by the Board of Directors. This right of management includes all staff employed by the IT University.

The vice chancellor must ensure that the IT University acts in accordance with the legislation and regulations in force from time to time and is obliged to carry out all other actions which are required in order to ensure that the IT University is managed in a good and proper manner.

Provost

The provost is the scientific head of research activities, including PhD programmes, and he is responsible for the ongoing development and preparation of all inter-disciplinary procedures in relation to research.

The provost must participate actively in the formulation of strategies and guidelines governing the organisation, long-term activities and development of the IT University.

The provost represents the research activities in relation to the external world.

University director

The university director is responsible for ensuring that the entire administration supports research and education to the widest possible extent. The university director is accountable to the vice chancellor for the observance of the legislation in force in the administrative area and for ensuring coherence between the administrative processes across the administrative departments.

The university director is in charge of all large inter-disciplinary projects of the administrative departments and represents the administration in relation to the external world.

Management

The Management includes the vice chancellor, the provost and the university director.
The Management is responsible for the preparation of the strategies of the IT University and the preparation and negotiation of the development contract with the Ministry of Higher Education and Science. For example, the Management is currently working on promoting the globalisation and internationalisation of the IT University.

The Management is responsible for ensuring that the development of the IT University is supported optimally within the financial framework provided by the Board of Directors. The work of the Management results in coherence between research, education and administration.

In its day-to-day work, the Management aims to promote the three core values of the IT University: trend-setting, responsibility and openness, throughout the organisation.

Academic council

The vice chancellor appoints an academic council. The academic council consists of one chairman and four members, and it elects its own chairman among the members of the council. Two members are elected by and among the scientific staff at the IT University, and two members are elected by and among the students at the IT University.

The academic council answers to the vice chancellor in the areas of central strategic research and education and plans the exchange of knowledge, awards PhD degrees and doctorate degrees and may issue statements on all academic matters of material importance to the activities, etc., of the IT University.

Study committee

The vice chancellor appoints one or more study committees, including members in identical numbers of science staff (VIP) and students. Each study committee appoints a chairman among its VIP members and a deputy chairman among its student members. The chairman and the deputy chairman are approved by the vice chancellor.

The study committee carries out planning, implementation and development of courses and tuition, including quality assurance and quality development of courses and tuition, preparation of draft curricula and amendments to these and approval of plans for preparation of courses and tests, etc.

PhD committee

The vice chancellor appoints a PhD committee, including members in identical numbers of science staff (VIP) and students. The chairman and the deputy chairman are appointed by the vice chancellor on recommendation of the PhD committee.

The PhD committee approves PhD courses, issues statements on the evaluation of PhD programmes and provides guidelines to the head of the PhD programme and approves applications for credit transfer and exemption, etc.

Head of department

The head of department is appointed and dismissed by the vice chancellor. The head of department is responsible for the day-to-day management of the department, including the planning and distribution of tasks. The head of department may request staff to carry out specific tasks. When science staff is not occupied with such tasks, they carry out independent research within the strategic framework of the IT University.

The head of department ensures quality and coherence in research and education and must include the study committee and the head of study in its evaluation of courses and tuition.

Head of study

The head of study is appointed and dismissed by the vice chancellor on recommendation of the study committee. The head of study is in charge of the practical preparation of tuition and tests and other evaluations which constitute part of the examination in cooperation with the study committee.

Cooperation and safety committees

The safety and cooperation organisation of the IT University consists of a Main Co-operation and Safety Board (H-SiSu) and two subcommittees: the Administrative Co-operation and Safety Board (A-SiSu), which covers the administrative section, and the Research Co-operation and Safety Board (F-SiSu), which covers the department, plus two safety groups in each subcommittee.

In general, issues related to members of staff are handled by H-SiSu, including policies, strategies, workplace assessments (APV), staff satisfaction evaluations (MTU) and drafts for staff development meetings (MUS). Issues relevant to administration or research are only handled by A-SiSu and F-SiSu, respectively. As a rule, issues relating to health and safety at work are handled by A-SiSu and F-SiSu.

Close cooperation between the "SiSu"s are presupposed. Discussion of issues may be delegated by H-SiSu to A-SiSu or F-SiSu, respectively, and issues which have been discussed in A-SiSu and F-SiSu may be handled by H-SiSu if this is considered necessary.

APPENDIX 3
MEMBERS OF THE IT UNIVERSITY'S FORESIGHT PANEL 2014

PROFESSOR JEANETTE BLOMBERG, PhD

Jeanette Blomberg:
Research Staff Member, IBM Research and Program Director of Practice-based Service Innovation. Prior to assuming her current position, Jeanette was a member of the Work Practice and Technology group at the Xerox Palo Alto Research Center (PARC), Director of Experience Modeling Research at Sapient Corporation, and Industry-affiliated Professor at the Blekinge Institute of Technology in Sweden where in 2011 she was awarded an honorary doctorate. In 2009 she was a visiting professor at University of Technology Sydney. Since joining IBM Research she has led projects focused on interactions among IT service providers and their clients, collaboration practices among globally distributed sales teams, the place of stories in corporate imaginaries, and new approaches to work-based learning. Her research explores social aspects of technology production and use, ethnographically-informed organizational interventions, participatory design, critical assessment of enterprise data analytics, and practice-based service innovation. Jeanette is well known for her research on ethnography in design processes with two recent publications *Positioning Ethnography within Participatory Design and Reflections in 25 Years of Ethnography in CSCW*. Her forthcoming book, *An Anthropology of Services*, explores how services are being conceptualized today and the possible benefits resulting from taking an anthropological view on services and their design. Jeanette received her PhD in Anthropology from the University of California, Davis and before embarking on her career in high tech she was a lecturer in cultural anthropology and sociolinguistics at University of California, Davis.

PROFESSOR JOHN LESLIE KING, PhD

John Leslie King:
Vice Provost for Academic Information, William Warner Bishop Professor of Information, and former Dean of the School of Information at the University of Michigan. His Vice Provost responsibilities involve the transformation of the university and higher education as the result of changes in information technology. He has published more than 175 academic and professional publications from his research on the relationship between changes in information technology and changes in organizations, institutions, and markets. Prior to joining Michigan in 2000 he was Professor at the University of California, Irvine, and at different times has served as Marvin Bower Fellow at the Harvard Business School, distinguished visiting professor at the National University of Singapore and at Nanyang Technological University in Singapore, and Fulbright Distinguished Chair in American Studies at the University of Frankfurt. He has been Editor-in-Chief of the INFORMS journal *Information Systems Research*, and Associate Editor of *ACM Computing Surveys* and many other journals.

Professor King holds a PhD in administration from the University of California, Irvine, and an honorary doctorate in economics from Copenhagen Business School. He is a Fellow of the Association for Information Systems and a Fellow of the American Association for the Advancement of Science. He is a member of the National Science Foundation advisory committees in cyberinfrastructure and social, behavioral and economic sciences, as well as a member of the Council of the Computing Community Consortium.

PROFESSOR JAN VAN LEEUWEN, PhD

Jan van Leeuwen:
Professor of Computer Science (Emeritus since December 2011), former Vice-Dean of the Faculty of Science and former Chairman of the Department of Information and Computing Sciences at Utrecht University. He was responsible for the Department's research and teaching programmes for many years. His research interests range from algorithmic modeling and complexity theory to formal methods and the philosophy of computer science. He played an important role in the creation of the Utrecht Faculty of Science in 2005 and was the first chair of the Graduate School of Natural Sciences. He is a co-founder and former Vice-President of Informatics Europe and served many national and international committees. From 1994 to 2004, Jan van Leeuwen was one of the three editors of the influential Lecture Notes in Computer Science (Springer-Verlag). Together with Barry Cooper, he edited the book *Alan Turing: His Work and Impact* (Elsevier), which won the RR Hawkins Award 2013 from the American Association of Publishers.Jan van Leeuwen holds a honorary doctorate in the Natural Sciences from the RWTH Aachen University, and received the ACM Distinguished Service Award 2013. Jan van Leeuwen is a member of the Royal Netherlands Society of Sciences and Humanities and of the Academia Europaea.

PROFESSOR JILL SCOTT, PhD

Jill Scott:
Jill Scott is Professor for Art and Science Research in the Institute Cultural Studies in Arts at the Zürich University of the Arts (ZhdK) in Zürich and founder of the Artists-in-Labs Program, which places artists from all disciplines into physics, computer, engineering and life science labs to learn about scientific research and make creative interpretations. She is also Vice Director of the Z-Node PhD programme on art and science at the University of Plymouth, UK – a programme with 18 international research candidates. Her education includes: PhD, University of Wales (UK) MA USF, San Francisco, as well as a Degree in Education (Uni Melbourne) and a Degree in Art and Design (Victoria College of the Arts). Her recent publications include: *Neuromedia: Art and Science Research* together with Esther Stöckli (2012), *The Transdiscourse book series: Volume 1: Mediated Enviroments,* (2011), *Artists-in-Labs: Networking in the Margins,* (2011) and *Artists-in-Labs: Processes of Inquiry* (2006). All publications are with Springer Press. Her artwork spans 38 years of production about the human body, behavior and body politics, but in the last 10 years she has focused on the construction of interactive mediated sculptures based on studies she has conducted in collaboration with neuroscience labs at the University of Zurich. These include artificial intelligent skin at the *Artificial Intelligence Lab*, human eye disease and cognitive interaction in Neurobiology, nerve damage in relation to UV radiation at the *Dermatology Lab*, the development of neural networks in the pre-natal stage at *The Institute of Molecular Life Scien-ces*. Recently she finished a new project called *Aural Roots* about the neural system of hearing, inspired by a residency with neuroscientists at SymbioticA, University of Western Australia.

KRISTJÁN S. SIGTRYGGSSON, CAND.ACT.

Kristján S. Sigtryggsson:
Product Manager at Edlund A/S, cand.act., Actuarial Science, University of Copenhagen.

SIMON EGENFELDT-NIELSEN, PhD

Simon Egenfeldt-Nielsen:
CEO, Serious Games Interactive (founded in 2006), MA Psychology, University of Copenhagen, PhD, IT University of Copenhagen. Has participated in several research projects within the area serious games alongside starting up the company Serious Games Interactive. He has published several books with games and learning, which includes *Understanding Video Games* and *Educational Potential of Video Games.*

APPENDIX 4

MEMBERS OF THE IT UNIVERSITY'S EMPLOYERS' PANEL 2014

Head of Scheduling at DR, Michael Arreboe

Deputy Director of e-business, Christian Mark Christensen, Topdanmark

Department Manager, Søren Damgaard, IBM Global Technology Services

Director, Lars Frelle-Petersen, The Danish Agency for Digitalisation

Head of Department, Birgit Nordsmark Henriksen, The Royal Library

CCO (Chief Content Officer), Karen Westmann Hertz, Mofibo Books ApS

Managing Director, Michael Houghton-Larsen, Rygård Consulting A/S

Creative Development Manager, Thomas Howalt, Hapti.coco

Director & Senior Technology Specialist, Jørn Johansen, Test & Consultancy, Delta

Technical Director, Thomas Bøge Edlund Jøhnk, Edlund A/S

Manager of Digital Development, Annemarie Kirk, HAAi

Managing Director, Per Kogut, NNIT A/S

Senior Consultant, Ina Kristensen, Digital & Social, Advice A/S

Development Manager, Jan Peter Larsen, Danske Bank

Development Manager, Michael Nielsen, Microsoft Development Center Copenhagen

IT Director, Lars Olling, Information Technology – BSS & IT Development, TDC A/S

Operations Manager, Peter Plantener, Eniga IT-Service

Group Manager, Kristine Stenhuus, Aller Holding A/S

Owner, Helene Venge, Switchmode Consulting