

For the Members of the Board

Executive Management
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Confidential Items are marked in grey and are only for the Board's own use. This applies to enclosures marked in grey as well.

The rest of this document and enclosures are Publicly Available Information.

Agenda for the IT University Board Meeting on Thursday, November 22, 2018, at 14:00 – 17:00, in Room 3A20/28, IT University of Copenhagen, Rued Langgaards Vej 7, 2300 Copenhagen S

Public items:

1. Welcome to New External Board Members

2. Approval of the Minutes from the Previous Meeting (decision)

3. Follow-up on Result Targets and Strategic Targets (briefing)

Enclosure 1: Follow-up on Strategic Framework Contract Targets for 2018

Enclosure 2: Follow-up on the Internal Targets for 2018

4. The Accounting of Third Quarter and the Prediction of the Result of the Year 2018 (briefing)

Enclosure 3: Accounts of the ITU as per September 30, 2018

5. Plans of Actions 2019 (briefing)

Enclosure 4: Strategic Activities 2019

6. Language of Study Programmes (decision)

Confidential items:

7.

8.

Public item:

9. The Budget 2019 (decision)

Enclosure 6: Budget Proposal 2019

Confidential item:

10.

Public items:

11. Questions Regarding Mail-delivered Briefings (briefing)

12. Any Other Business

The Executive Management's comments on the agenda

Public items:

Item 1: Welcome to New External Board Members

Item 2: Approval of the Minutes from the Previous Meeting (decision)

No comments to the minutes from the meeting on XXX have been received.

Recommendation:

The Executive Management recommend that the minutes be approved.

Item 3: Follow-up on Result Targets and Strategic Targets (briefing)

Enclosure 1: Follow-up on Strategic Framework Contract Targets for 2018

Enclosure 2: Follow-up on the Internal Targets for 2018

Concerning Enclosure 1: The goals concerning admission numbers on Bachelor in Software Development (T1) and Bachelor in Data Science (T2) have been met. The number of women admitted on Bachelor in Software Development fell short of target by 4 students (T3). We fight on undeterred. The good news is that drop-out among female students admitted in 2017 on the same programme was 13 %, which is well below the target of 20 % (T4). The VIP/DVIP-issue (T7) is only on one study programme (BSWU) and we expect it to be fixed in 2019. Graduate employment rates overall (T10) live up to the target of being better than the national average. Since the last status report, all employment tickets have now been updated and approved by the respective employers' panels (T12).

Concerning Enclosure 2: The Bachelor programme in Data Science has been very successful in attracting female students (T5). For both BSc and MSc programmes, the average exceedance of the duration of study is now $1.1+2.7 = 3.7$ months, which is well below the target of 8.2 months (T6). Concerning external research funding, it appears that the work aiming at increasing the number of principal investigators is working: all three departments have two members of faculty who have significantly increase their intake of external funding (T17). We consider the negotiations with the ministry concerning funding a success (T18). The internal GDPR project is progressing steady and fine. Administrative staff expected to take an on-line course and a subsequent test (T22). Concerning course evaluations (T23), we did follow up on individual courses with low scores in the Spring evaluation and now await results for the autumn course evaluation. We expect to enrol fewer PhD students than planned due to a delay in hiring and because of few externally funded stipends this year (T24). Two research assistants are hired for the Blockchain Centre. It is likely that the centre will obtain 1.2 MDKK in external funding (T25).

Item 4: The Accounting of Third Quarter and the Prediction of the Result of the Year 2018 (briefing)

Enclosure 3: Accounts of the ITU as per September 30, 2018

We refer to the enclosure.

Item 5: Plans of Actions 2019 (briefing)

Enclosure 4: Strategic Activities 2019

The list of strategic activities for 2019 has arisen primarily from three sources: ITU's Strategy; the Strategic Framework Contract; and the Study Programme Portfolio Report. (The latter is the document that the Education Group produces once a year as a follow-up on the processes underlying ITU's Quality Policy.) The list is the result of planning discussions with the Group of Managers. Executive Management is in the process of negotiating Result Contracts for 2019 with management colleagues based on this list of strategic activities. The contracts will be prepared for the new Vice Chancellor to consider, when he takes up office on Jan. 2nd, 2019. Of course, once the new Vice Chancellor has assumed office, Executive Management may decide to make changes to the list of strategic activities and the accompanying contracts before the contracts are signed.

Item 6: Language of Study Programmes (decision)

ITU has two types of study programmes: programmes that are Danish-language programmes and programmes that are English-language programmes. *Danish-language programmes* require students to speak Danish or another Scandinavian language; courses can be in Danish or English. *English-language programmes* require students to speak English and all courses must be taught in English.

ITU has agreed a growth plan on study programmes which, today, are English-language programmes, with the Ministry. At the same time, the Ministry requires universities to reduce the capacity of study programmes that are in English by 1000, in order to curb increases in student stipend costs paid to non-Danes. ITU has not been required to reduce the intake on English-language study programmes, but we are required not to admit more non-Danish speaking students. Thus, ITU has to find a way to reconcile the need for growth with limitations decided politically concerning the number of non-Danish students.

One of the possible avenues forward is to change the status of study programmes which are English-language programmes to become Danish-language programmes. The matter has been discussed in the Education Group and among two of the heads of departments who offer study programmes in English. The Head of Communications has been heard concerning student recruitment issues.

The Ministry has investigated the financial consequences of Denmark providing free education and student stipends to non-Danes. It found that, historically, the group of non-Danish graduates from Danish universities has been a net gain for Danish economy.

Obviously, the net contributions depend on how long after graduations the graduates stay and work in Denmark. For Danish as well as for non-Danish graduates from Danish universities, the longer the person stays and works in Denmark, the better the financial outcome for Denmark. However, whereas the vast majority of Danes continue to live and work in Denmark after graduation from a Danish university, only about half the non-Danish graduates remain in Denmark.

The essence of ITU's strategy is "to increase - as much as possible - the number of people in Denmark who create value with IT in ways that live up to the standards set by state-of-the-art IT research." (ITU's strategy document, page 3).

What are the consequences of this strategy for the problem at hand? For study programmes for which we have or anticipate a shortage of qualified Danish applicants, specifically: MSc in Computer Science, the programme should be an English-language programme, since this increases the recruitment base. However, for study programmes for which ITU has or anticipates an abundance of qualified Danish applicants, we should make the programme a Danish-language programme, in order to maximise the number of graduates who remain and work in Denmark. This situation applies to Bachelor in Data Science and Bachelor in Global Business Informatics. It also applies to a potential MSc in Data Science.

Changing a programme from being an English-language programme to a Danish-language programme does not remove the ability to use English as a teaching language. There are some legal hurdles to do with giving potential applicants notice about the change; those hurdles are being addressed by the Ministry at the moment.

Another way forward is to try to obtain an exemption from the cap on the number of foreign students. The minister has indicated that he is willing to "look at the matter" for study programmes, where the graduates are in high demand and retention of foreign graduates is good. This possibility should be pursued, but, following the above reasoning, it is particularly relevant on study programmes for which there is a shortage of well-qualified Danish applicants.

Recommendation:

Executive Management recommends that

- (a) *The university aims to get exemption from the ban on growth in the number of non-Danish students on programmes that have high retention and low unemployment (MSc Computer Science, MSc Software Design);*
- (b) *The university aims to change the following study programmes from English-language programmes to being Danish-language programmes: Bachelor in Data Science and Bachelor in Global Business Informatics. Students already enrolled in the current English-language versions of these bachelor programmes will be able to complete their studies without having to learn Danish and the university will try to ensure that such students can continue at ITU at the MSc level, at least for a few years, without having to take courses that are taught in Danish.*

Confidential items:

Item 7:

Item 8:

Public item:

Item 9: The Budget 2019 (decision)

Enclosure 6: Budget Proposal 2019

We refer to the enclosure.

Recommendation: *Executive Management recommend that the Budget Proposal 2019 be approved.*

Confidential item:

Item 10:

Public items:

Item 11: Questions Regarding Mail-delivered Briefings (briefing)

- E-mail 2018-11-07: ITU Board´s Strategy Seminar 2019 – new date (September 19)
- E-mail 2018-10-18: The Start of the IT University of Copenhagen – A Personal Account
- E-mail 2018-09-27: Confidential Information on Press Release

Item 12: Any Other Business

- There will be a reception at ITU on December 12, 2018, to celebrate Mads Tofte´s time at ITU.

Yours sincerely,

Gitte Gramstrup
Assistant to the Executive Management

Follow-up on Strategic Framework Contract Targets for 2018

The report stated in the chart below represents the results after the third quarter 2018.

Signature:

The time and activity schedule of the target has been kept.



The time and activity schedule of the target has not been kept. However, it is still estimated that the target can be reached within the period, as the delays are not critical.











The time and activity schedule of the target has not been kept, and if the present development continues, it will not be possible to reach the target within the time frame.







The time and activity schedule of the target has not yet launched, or data is not yet available.

Target	Description	Comments	Status
T1	The IT University admits at least 140 students on the Study Programme Bachelor in Software Development in 2018.	In 2018, 149 students are admitted on the Study Programme Bachelor in Software Development. The target is achieved in 2018.	
T2	The IT University admits at least 50 students on the Study Programme Bachelor in Data Science in 2018.	In 2018, 64 students are admitted on the Study Programme Bachelor in Data Science. The target is achieved in 2018.	

Target	Description	Comments	Status
T3	The number of women admitted in 2018 on the Study Programme Bachelor in Software Development after early dropout is at least 34.	In 2018, 30 women are admitted on the Study Programme Bachelor in Software Development. The target is not achieved in 2018.	
T4	The dropout rate after first year of study among female students admitted in 2017 on the Study Programme Bachelor in Software Development is at most 20 per cent in 2018.	The dropout rate after first year of study among female students admitted in 2017 on the Study Programme Bachelor in Software Development is 13 per cent. The target is achieved in 2018.	
T7	The IT University's total VIP / DVIP ratio is at least 3.0 and no ITU study programme has a VIP / DVIP ratio of less than 2.4.	The IT University's total VIP / DVIP ratio is 5.5. The Study Programme Bachelor in Software Development's VIP / DVIP ratio is 1.9. All other study programmes have a VIP / DVIP ratio above 2.4. The target is not achieved in 2018.	
T8	In the years during the term of the contract where "Uddannelseszoo" is conducted, the average score for the question "The quality of my education is overall high" is at least 4.0 on a scale from 1 to 5.	The Ministry of Higher Education and Science is collecting data for "Uddannelseszoo" in the period 23 October to 20 December 2018. There will be a follow-up after fourth quarter.	
T9	In the years during the term of the contract where "Uddannelseszoo" is conducted, the average score for the question "My learning outcomes are high" is at least 4.0 on a scale from 1 to 5.	The Ministry of Higher Education and Science is collecting data for "Uddannelseszoo" in the period 23 October to 20 December 2018. There will be a follow-up after fourth quarter.	

Target	Description	Comments	Status
T10	In 2018, the weighted rolling average of graduate unemployment measured fourth to seventh quarter after the graduation of MSc students graduated from the IT University in 2013, 2014 and 2015 is less than or equal to the weighted rolling average of MSc unemployment measured fourth to seventh quarter after the graduation of all MSc students for a shared Danish MSc programme. Similar to 2019, 2020 and 2021.	<p>In 2018, the weighted rolling average of graduate unemployment measured fourth to seventh quarter after the graduation of MSc students graduated from the IT University in 2013, 2014 and 2015 is 11.2 per cent.</p> <p>The weighted rolling average of MSc unemployment measured fourth to seventh quarter after the graduation of all MSc students for a shared Danish MSc programme in 2013, 2014 and 2015 is 11.6 per cent.</p> <p>The target is achieved in 2018.</p>	
T11	In the years during the term of the contract where "Uddannelseszoo" is conducted, the average score for the question "My education has prepared me for my current or most recent job" is at least 4.0 on a scale from 1 to 5.	<p>The Ministry of Higher Education and Science is collecting data for "Uddannelseszoo" in the period 23 October to 20 December 2018.</p> <p>There will be a follow-up after fourth quarter.</p>	
T12	In each of the years during the term of the contract and for any IT University study programme, there is a labor-market ticket that has been approved by the relevant Programme-Specific Employers' Panel within the last two years.	<p>In 2018, each study programme has a labor-market ticket that has been approved by the relevant Programme-Specific Employers' Panel in 2017 or in 2018.</p> <p>The target is achieved in 2018.</p>	

Target	Description	Comments	Status
T13	<p>During the contract period, the IT University establishes a competence center for public IT projects in collaboration with the Danish Agency for Digitisation and provides in this center research-based courses of short duration for public managers that can help them fulfill their role in digitalisation projects in the public sector.</p> <p>Target for 2018: During 2018, at least 2 new PhD projects have been established in connection with the Center, either PhD projects paid by the Center's (external plus internal) funding or other PhD projects with a central connection to the Center, regardless of source of funding.</p>	<p>1 November 2018 a PhD Student affiliated the Research Center for Government IT is employed.</p> <p>Another PhD project, Agile in the Public Sector, is being discussed.</p> <p>There will be a follow-up after fourth quarter 2018.</p>	
T14	<p>During 2018, the IT University will recruit at least two scientific staff at the level of Assistant Professor or higher in the field of Information Security.</p>	<p>In the first half of 2018, two Assistant Professors in the field of Information Security have been recruited.</p> <p>The target is achieved in 2018.</p>	
T15	<p>During 2018, the IT University will recruit at least two scientific staff at the level of Assistant Professor or higher in the field of Data Science.</p>	<p>In the first half of 2018, three Assistant Professors in the field of Data Science have been recruited.</p> <p>The target is achieved in 2018.</p>	
T16	<p>The IT University will teach at least 30 high school teachers who are to teach Informatics in High School.</p>	<p>In fall 2018, the IT University teaches 47 high school teachers who are to teach Informatics in High School.</p> <p>The target is achieved in 2018.</p>	

Follow-up on the Internal Targets for 2018

The report stated in the chart below represents the results after the third quarter 2018.

Signature:



The time and activity schedule of the target has been kept.



The time and activity schedule of the target has not been kept. However, it is still estimated that the target can be reached within the period, as the delays are not critical.













The time and activity schedule of the target has not been kept, and if the present development continues, it will not be possible to reach the target within the time frame.








The time and activity schedule of the target has not yet launched, or data is not yet available.

Target	Description	Comments	Status
T5	The number of women admitted in 2018 on BSc Data Science after early dropout is at least 17.	In 2018, the number of women admitted on BSc Data Science after early dropout is 23. The target is achieved in 2018.	
T6	The IT University will reduce the average exceedance of the standard study time for graduated BSc students and graduated MSc students compared with 2011 to a maximum of 8.8 months in 2018 and a maximum of 8.2 months in 2019. In both 2020 and 2021, the average exceedance of the standard study time is still a maximum of 8.2 months.	The average exceedance of the standard study time is 1.1 month for BSc graduates and 2.5 months for MSc graduates totaling 3.7 months. The target is achieved in 2018.	

Target	Description	Comments	Status
T17	During 2018, at least six members of faculty whose Performance Points (PP) concerning external funding for 2016 and 2017 added was at most two PP have obtained external research funding which will bring each of them to at least 10 PP in external funding in 2019.	Six members of faculty whose Performance Points concerning external funding for 2016 and 2017 added was at most two PP have obtained external research funding which brings each of them to at least 10 PP in external funding in 2019. There will be a follow-up after fourth quarter 2018.	
T18	The IT University obtains funding for growth on the State Budget 2019.	The negotiations with the Ministry of Higher Education and Science have been processing according to plans. In the government's proposal for the Finance Act for 2019, the IT University obtains funding for growth. There will be a follow-up after fourth quarter 2018.	
T19	The IT University decides on the terms of reference for the external evaluation of its PhD School, decides on the international panel carrying out the evaluation, and finalizes the internal evaluation provided as input to the international panel.	The terms of reference for the external evaluation of the PhD School has been approved. The internal working group is on track with the internal evaluation, and the international panel has been confirmed. There will be a follow-up after fourth quarter 2018.	
T20	The Board decides a plan for how the necessary building space for the period 2019-2024 is provided; specifically, it has to be decided if and when to start a construction of an additional building.	The Board has decided a plan for how the necessary building space in the years to come is provided. The target is achieved in 2018.	
T21	The IT University gets a clean Auditors' Report on Annual Report 2018.	There have been no audit procedures so far. There will be a follow-up after fourth quarter 2018.	

Target	Description	Comments	Status
T22	The IT University can demonstrate progress in General Data Protection Regulation (GDPR) compliance in the form of changed practices and improved data management.	<p>For two administrative departments, Communication and Personnel with specific GDPR sub-targets, it is assessed for both, that their targets will be met.</p> <p>For the remaining administrative departments, the sub-target is generic and formulated as 80 per cent fulfillment of a test. The test will be a module in the GDPR e-learning course covering GDPR in general.</p> <p>There will be a follow-up after fourth quarter 2018.</p>	
T23	The average score on all the quantitative question in the course evaluation is at least 4.75 both in spring and in autumn 2018.	<p>The Spring 2018 course evaluation score is 4.71.</p> <p>The target is not achieved in 2018.</p>	
T24	The IT University admits at least 18 PhD students in 2018.	<p>At current, 11 PhD students have been admitted. Further, six PhD students are in the pipeline to be admitted this year.</p> <p>At present, the PhD School estimates, that 14 PhD students will be admitted in 2018.</p> <p>There will be a follow-up after fourth quarter 2018.</p>	
T25	During 2018, the IT University will recruit at least one PhD student and at least two scientific staff at the level of postdoc or higher in the field of Blockchain.	<p>There are no PhD students and no scientific staff at the level of postdocs or higher to be hired for the Blockchain Centre.</p> <p>There will be a follow-up after fourth quarter 2018.</p>	
T27	The IT University offers an international PhD course in 2018 attracting at least 25 students, where at least eight are from outside the IT University.	<p>Due to lack of resources, the IT University does not offer an international PhD course in 2018.</p> <p>The target is not achieved in 2018.</p>	

Target	Description	Comments	Status
T28	The PhD School no longer uses WikiIT by the end of 2018, instead it uses F2 and other IT systems, all hosted and physically running at the IT University.	The PhD School is in the process of moving to new IT platforms. There will be a follow-up after fourth quarter 2018.	
T29	The PhD School arranges an internal symposium in 2018 for PhD students at the IT University only. The topic will be entrepreneurship.	A symposium for PhD students at the IT University takes place on 15-16 November 2018. 19 PhD students have signed up. The topic is: "Entrepreneurship (part 1): Designing and communicating your work for different audiences in different formats" There will be a follow-up after fourth quarter 2018.	
T30	Facility Management takes over the administration of ITU professional courses before 31 October 2018 from Jørgen Staunstrup.	Facility Management has taken over the administration of ITU professional courses from Jørgen Staunstrup. The target is achieved in 2018.	
T31	The IT University will have the following three policies adopted before 31 December 2018: Sexual Harassment Policy, Abuse Policy and Bullying Policy.	A Sexual Harassment Policy is approved by M-CoSB on 18 April 2018 and is effectful from 30 April 2018. A Drugs and Alcohol Policy is approved by M-CoSB on 18 April 2018 and is effectful from 1 May 2018. An Anti-bullying Policy is approved by M-CoSB on 13 September 2018 and is effectful from 17 September 2018. The target is achieved in 2018.	

Target	Description	Comments	Status
T32	The IT University will have a plan for the implementation of OK-18 before 31 December 2018.	<p>Internal meetings in the Personnel Department for planning and implementing OK-18 are booked and in process. Some OK-18 elements are effectful as of 1 April 2018, some as of 1 October 2018 and some as of 1 January 2019. For some of the elements guidance on how to implement are not yet finished. This is why the plan must cover also readiness to handle the elements when such guidance is available.</p> <p>There will be a follow-up after fourth quarter 2018.</p>	

Enclosure 3

Accounts of the IT University of Copenhagen, as per September 30 2018

This report presents the third quarter actual accounts and the revised forecast of October 2018 including a cash flow forecast and revised assumptions and uncertainties.

Table 1 shows an overview of income, costs and equity over a three-year period. Executive Management expects the year-end result to increase from DKK -6.7 M to DKK -4.1 M compared to FCST 2018 August. We elaborate on income and costs in the section *Third quarter financial follow-up*.

Table 1: Overview of income, costs and equity

Financial items (DKKK)	Actual 2016	Actual 2017	Budget 2018	FCST 2018 August	FCST 2018 October
Income	263,243	276,029	296,264	297,156	299,632
Personnel costs	-160,434	-177,461	-199,319	-193,363	-194,444
Other operating costs	-96,452	-103,919	-109,836	-110,540	-109,288
Profit from ordinary operations	6,357	-5,352	-12,891	-6,746	-4,100
Financial income and costs	2,815	3,285	909	36	36
Profit, year-end	9,172	-2,066	-11,982	-6,710	-4,064
Equity, end-year	78,287	76,221	64,239	69,511	72,157
Equity/income ratio	0.30	0.28	0.22	0.23	0.24

Table 2 shows the forecast on staff. Compared to FCST 2018 August, the Departments plan to hire more external lecturers.

Table 2: Staff forecast

Staff Forecast (FTE)	FCST 2018 August	Change	FCST 2018 October
Full-time senior researchers	64.7	0.5	65.2
Full-time non-senior researchers	58.6	-0.1	58.5
Full-time department staff	123.3	0.4	123.7
Part-time external lecturers	8.5	3.3	11.8
Part-time other	35.7	-1.0	34.7
Part-time department staff	44.2	2.3	46.5
Externally funded research staff	38.5	0.2	38.7
Technical and administrative staff	149.1	-1.0	148.1
Staff total	355.1	1.9	357.0

Third Quarter financial follow-up

In Table 3, we show the estimated income and cost compared to actual accounts at the end of the third quarter, and the latest Forecast from August. In general, the estimate per September 30 is equal to three quarter of Budget 2018. We elaborate on deviations and changes above DKK 0.5 M for each budget item in the following sections.

Table 3: Break down of income and costs

Budget items (KDKK)	Estimate per 30 sep	Actual per 30 sep	Deviation per 30 sep	FCST 2018 August	Change	FCST 2018 October
Student activity grants and tuitions fees	121,195	122,417	1,221	161,594	1,628	163,222
Base grants	77,006	77,006	0	102,675	0	102,675
Other government grants	-2,828	-2,828	0	-3,771	0	-3,771
External research funding	21,147	20,415	-731	28,196	252	28,447
Facilities subleasing	674	575	-99	898	-138	760
Other income Departments	0	1,186	1,186	0	1,048	1,048
Other income Technical and Administrative Departments	5,673	5,145	-528	7,564	-313	7,251
Income	222,867	223,916	1,049	297,156	2,476	299,632
Personnel costs	13,689	15,045	1,355	18,252	64	18,316
Other operating costs	3,943	2,047	-1,896	5,257	18	5,276
External research	17,632	17,091	-541	23,510	82	23,592
Personnel costs	73,964	70,712	-3,252	98,619	-39	98,579
Other operating costs	8,997	6,661	-2,335	11,996	905	12,900
Departments	82,961	77,373	-5,587	110,614	865	111,479
Personnel costs	57,369	53,809	-3,559	76,492	1,057	77,548
Other operating costs	29,088	24,495	-4,594	38,785	-785	38,000
Technical and administrative departments	86,457	78,304	-8,153	115,276	272	115,548
Building	40,092	38,032	-2,060	53,456	-750	52,706
Management pools	0	0	0	1,046	-640	407
Ordinary operating net costs	227,142	210,800	-16,342	303,902	-170	303,732
Profit from ordinary operations	-4,275	13,116	17,391	-6,746	2,647	-4,100
Financial income and costs	27	72	45	36	0	36
Profit	-4,248	13,188	17,436	-6,710	2,647	-4,064

Departments consists of costs regarding Computer Science, Digital Design, Business IT, the Study Board, the PhD School and the Library.

Technical and administrative departments consists of costs regarding Student Affairs and Programmes, Research Support and Learning Support, the Communication Department, the IT Department, Facilities Management, the Department of Finance and Personnel, Executive Management and finally provisions for strategic growth, holiday pay, parental leave, taxes and other company matters.

Building consists of rent including property taxes and other building costs according to the Danish Facilities Management Benchmark (DFM-benchmark). The DFM-benchmark includes costs for building maintenance, installations, utility companies, cleaning, security and other services.

Student activity grants and tuitions fees (1.6 M)

Actual income is above the estimate as per September 30 by DKK 1.2 M.

As we show in table 4, we expect income from study activity to increase with DKK 1.6 M, caused by an increase in study activity of part-time students. Implementing digitized invoicing, have result in more part-time students paying before the invoice due date.

In 2018, we expect the IT University to fulfil the target of the Study Progress Reform, and thus the Government will not reduce the completion bonuses.

Table 4: Study activity forecast

Study Activity Forecast	FCST August		Change		FCST October	
	units	KDKK	units	KDKK	units	KDKK
Students, BSc	617	57,073	-1	-113	616	56,959
Students, MSc	777	71,859	2	205	779	72,064
Students, guests and foreign scholarship students	41	5,009	1	189	42	5,197
Students, full-time (FTE)	1,435	133,940	2	280	1,436	134,220
Students, part-time (FTE)	82	9,802	12	1,392	94	11,194
Completion, BSc + MSc	444	16,416	11	333	455	16,750
Other student activity		1,435		-377		1,058
Total income from study activity		161,594		1,628		163,222

Base grants and other government grants

Actual income from Base grants and other minor grants follows the estimate as per September 30.

External research funding (0.3 M)

The most recent forecast on external research funding from Research Support shows a decrease of DKK 0.7 M, due to delays in other operating spending.

The forecast includes an estimated delay of 7%.

Other income from Departments (1.0 M)

The actual income has increased by DKK 1.2 M as per September 30, caused by conferences.

Other income from Technical and administrative departments (-0.3)

The actual income follows is below as per September 30 by DKK 0.5 M. Income derives from income from the externally funded projects, ITU Open Entrepreneurship and Increasing Diversity in Computer Science.

We have adjusted income regarding ITU Professional courses upwards, as we expect enrollment to increase a bit.

Facilities subleasing (0.1 M)

Income from Facilities subleasing follows the estimate as per September 30.

Currently, we do not offer vacancies for subleasing. We expect the strategic growth in education will require additional space for students and staff.

External research (0.1 M)

Actual personnel spending is above the estimate as per September 30 by DKK 1.4 M

Actual other operating spending is below the estimate as per September 30 by DKK 1.9 M. We expect spending will catch up in the last quarter.

FCST October still shows an expected overhead of 17 %, as we have more private funded projects, where overhead is in general very low, compared to overhead from public funded projects.

Departments (0.9 M)

The actual personnel spending is below the estimate as per September 30 by DKK 3.3 M. We have adjusted the forecast according to the hiring plans from the departments.

The actual other operating spending is also below the estimate as per September 30 by DKK 2.3 M. We expect activities will pick up during the last quarter of the year as in previous years. Forecast October has increased by DKK 0.9 M, as Departments have transferred budget from personnel costs to other operating costs, to support strategic growth.

Technical and administrative departments (0.3 M)

The actual personnel cost is below the estimate as per September 30 by DKK 3.6 M, caused by a higher salary reimbursement in the third quarter. We expect cost to pick up in the last quarter.

The actual other operating cost is below the estimate as per September 30 by DKK 4.6 M. Implementing IDM system will be postponed to 2019. We expect cost to pick up in the last quarter. Due to replacement of IT equipment and interior in fall.

Building (-0.8 M)

The actual spending is below the estimate as per September 30 by DKK 2.1 M.

Management pools (-0.6 M)

Management pools have decreased by DKK 0.6 M, which reflects transfers from management pools to other budget items in order to support strategic actions.

Financial income and costs (0.0 M)

Financial income follows the estimate as per September 30. Gain and loss on investments will fluctuate further during the year.

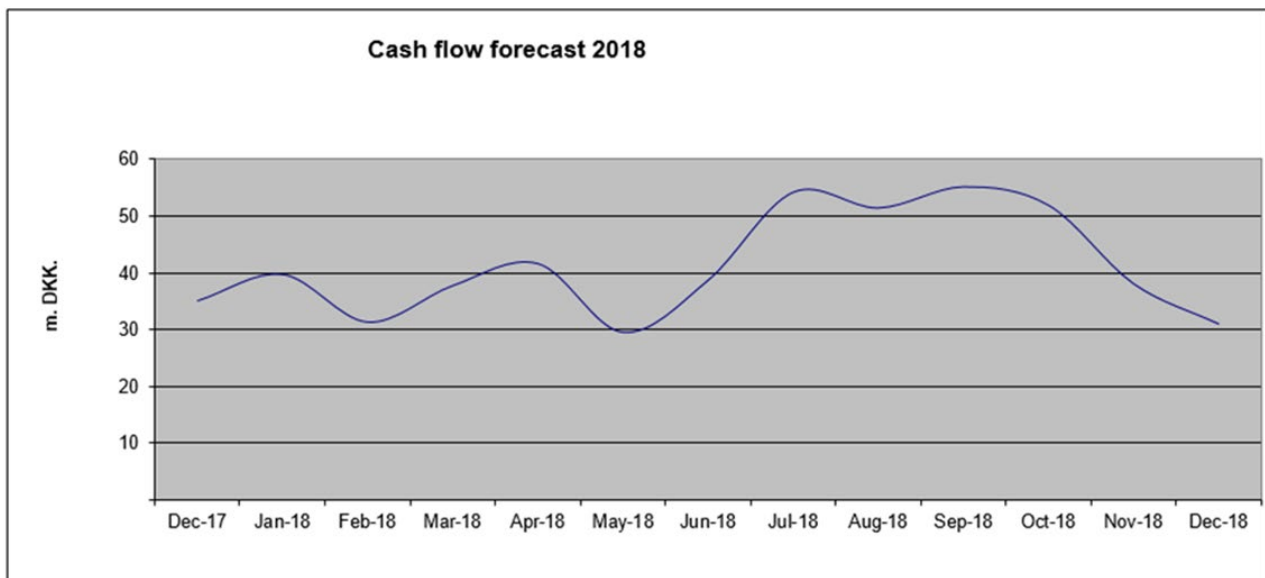
Cash flow forecast

The cash flow forecast below shows a positive cash flow throughout the year. The Department of Finance and Personnel monitors the cash flow regularly, and advises Executive Management on cash transfers to the investment portfolio.

The exceptionally high cash in July and September is due to prepayments of external research funding.

The cash flow peaks low in February, May, August and November due to the quarterly payments of rent. By the end of the year, cash holdings decline further due to annual payments of large operating agreements.

Figure 1: Cash flow forecast



Assumptions and uncertainties

In general, government grants are subject to the over-all inherent uncertainty of end year adjustments to government grants for education according to the Finance Act.

The external research funding forecast from October includes a general assumption of days in planned activities. Any further grants awarded this year are not expected to start significant spending until next year.

Expected capital gain on investments is estimated at DKK 0.0 M though accounts currently show a negative return of investment in third quarter. However, the capital markets are somewhat volatile, and the actual bond prices at the end of the year might significantly influence the year-end result.

Income from IT-Match Making is reduced by DKK 1.0 M, as we have recently terminated our partnership with Move on Communication A/S. The company has not paid for the activities regarding IT-Match Making. We will recover debt from the Danish Debt Collection Agency.

Strategic Activities for 2019

Executive Management

As a result of the discussion about activities for 2019 supporting the ITU strategy and Strategic Framework Contract at the Group of Managers meeting 17th September 2018 and the suggested list of actions contained in the Education Portfolio Report 2018, Executive Management have consolidated a list of activities to be completed by the end of 2019.

For each activity, we list a brief description of the activity and a role who is primarily responsible. In many cases, the completion of an activity requires one or more management colleagues, who are not listed as responsible for the activity, to take responsibility for parts of the activity.

The list will be used for preparing an action plan for 2019 to the Ministry and for drafting result contracts for managers for 2019.

1 Expansion of building capacity

Activity	Responsible
ITU is running out of office and teaching space next year, so new space must be taken into use during 2019.	Executive Management

2 Research

Activity	Responsible
Increase the number of Principal Investigators by at least two for each department (in order to increase volume of spending of external funding).	Heads of Department.

3 Improving Operations Related to Teaching

Activity	Responsible
<i>Long term course manning and manning of supervision of student projects</i> The process for allocating teachers to courses and supervision is too cumbersome and inefficient. First, the process must be analysed with the purpose of subsequent optimizing changes, probably with the help of IT systems. See education portfolio report for further details.	Heads of Department.
Dropout/completion rate activity force to be established in order to know where our students go. Aim: Systematic follow-up on both overall dropout (not early dropout) and completion rates and initiate appropriate actions for each study programme. Department of Computer Science: Focus on female students.	Head of Studies
Follow up on recommendations from the UUU report	Head of Studies

Enclosure 4

4 Grow the Number of Technical IT Graduates

Activity	Responsible
Finalize an application for an MSc programme in Data Science, in time for admission of students in 2020	Head of Studies
Negotiate funding for MSc programme in Data Science and (perhaps) growth in the admission numbers on BSWU	Executive Management
<i>English-language students</i> The government has dictated a reduction of the intake of English-language students at Danish universities on 1000 in 2019. ITU is not supposed to reduce our intake, but we are not allowed to increase. How to plan for the growth in student intake (on English spoken educations) while fulfilling the government's expectations?	Executive Management.

5 Gender and Diversity

Activity	Responsible
Investigate the workplace and study culture for VIPs and students with focus on diversity related problems, leading to an action plan for better gender balance and a Diversity Best Practice document. See education portfolio report for further details.	Primarily Education Group; Secondarily: Dept. Heads and Head of HR.
Recruit more female scientific staff in the Department of Computer Science. Make a plan for how to attract more female scientific staff and start executing on it in 2019.	Primarily Head of Computer Science department, secondarily Head of HR.

6 Business Development, Digitalisation

Activity	Responsible
Digitalization is one of the research activities promoted in ITU's framework contract with the ministry. Department of Computer science is hosting a center for public IT projects. Likewise the Department of Business IT and the Department of Digital Design must make plans for their contribution to the area and the plans must begin being executed in 2019	Pro-rector

7 Business development, Information Security

Activity	Responsible
Information security is one of the research activities promoted in ITU's framework contract with the ministry. Contingent on the necessary resources for growth within computer science the volume of research (and education) within information security must grow. There will be made a plan for how the area must grow and the plan must begin being executed in 2019.	Pro-rector (since this activity spans more than one department)

Enclosure 4

8 Business development, Data Science

Activity	Responsible
Data science is one of the research activities promoted in ITU's framework contract with the ministry. Accompanying the growth in the BDS programme (and perhaps MSc DS), the volume of research within Data Science must grow. Make a plan for how the area must grow and start executing on it in 2019.	Head of Computer Science

9 IT in Primary and Secondary Education

Activity	Responsible
Help to develop the subject "teknologiforståelse" in "folkeskolen" and the subject "informatik" at STX.	Head of Digital Design department and Head of Computer Science department.
Institutionalise Informatics course for STX teachers, including application of ITU's Quality Policy.	Head of SAP

Enclosure 6

Budget Proposal 2019

This presentation concerns the Budget Proposal for 2019.

Summary

Since the approval of the Framework Budget at the September meeting, we have updated the forecast on study activity and the forecast on external research funding.

The expected result of budget proposal 2019 is DKK 3.7 M. Budget proposal includes a management pool of DKK 4.5 M to sustain the ongoing strategic actions. In 2019, the equity/income ratio is 0.23, which is above the preferred level of 0.18.

Executive Management recommends that the Board approve the Budget proposal 2019.

Management assumptions

Specifically, we base the budget proposal for 2019 on the following management assumptions:

- Admission of students and student activity will be as shown in table 3 and table 4.
- After negotiating with The Minister of Higher Education and Science, we have been granted an additional base grant of DKK 35.0 M to support the growth in 2019 to 2021, and expect DKK 25.0 M in 2022 and onwards. All indications point to that the assumption will be fulfilled.
- The government 2.0 pct. cut back continues until 2022.
- External research funding follows the forecast from Head of Departments. Based on delays in previous years, we include a general reduction of 7 pct.
- We expect to stop subleasing from 2019, to make room for new staff and students.
- Recruiting and hiring of scientific personnel proceed as planned by the heads of departments, and in compliance with the Quality Policy VIP/DVIP-ratios. We estimate that an increase of 1.0 scientific FTE will result in an increase of 1.0 administrative FTE.
- Historically the three departments have not used 100 pct. of their budget for personnel costs, and we assume that they will only use 96 pct. in 2019.
- Income from interest and return on the investment portfolio provide a return of DKK 0.9 M from 2019.
- Building costs includes additional building costs of DKK 2.5 M in 2019, as we expect to rent additional facilities to accommodate growth in students and staff. Currently we don't have the exact estimate for additional facilities and preliminary researching is ongoing.

Income, costs and equity

We base the updated Framework Budget and Budget Proposal on equity at the end of 2018 as expected in the accounts as per 30 September 2018. In 2019, we regulate Government grants with a +0.9 pct. average price/wage inflator, as stated in the Government's initiative. We regulate personnel costs and other operating costs with +2.0 pct. and +1.0 pct. in 2019, respectively.

In table 1, we compare the income, costs and equity of the Framework Budget 2019 with the Budget Proposal 2019.

We elaborate on other budget items compared to Framework Budget 2019 in the following sections.

Table 1: Budget Proposal 2019

Budget items (DKK 1,000)	Budget 2018	Framework 2019	Change	Budget 2019
Study activity grants and tuition fees	157,708	121,136	1,921	123,057
Education, base grants	0	33,091	0	33,091
Research, base grants	96,725	98,643	0	98,643
Research, base grants negotiations	5,000	35,000	0	35,000
Other government grants	-3,771	287	0	287
External research funding	29,729	36,567	-2,559	34,008
Facilities subleasing	898	0	0	0
Other income Departments	4,359	0	0	0
Other income Technical and administrative departments	5,616	10,045	4	10,049
Income	296,264	334,769	-634	334,135
Personnel costs	17,540	23,403	-1,638	21,765
Other operating costs	5,054	6,216	-435	5,781
External research	22,594	29,620	-2,073	27,546
Personnel costs	102,237	105,784	3,105	108,889
Other operating costs	10,051	10,218	1,818	12,036
Departments	112,288	116,002	4,923	120,925
Personnel costs	79,542	78,579	2,161	80,739
Other operating costs	36,117	37,897	1,118	39,015
Technical and administrative departments	115,659	116,476	3,279	119,754
Building	55,114	58,979	-348	58,631
Management pools	3,500	4,500	0	4,500
Ordinary operating costs	309,155	325,576	5,781	331,357
Profit from ordinary operations	-12,891	9,194	-6,415	2,778
Financial income and costs	909	909	-0	909
Profit	-11,982	10,103	-6,415	3,687
Equity end-year*	72,157	82,260	6,415	75,845
Equity/income ratio	0.24	0.25	-0.02	0.23

*Equity end-year Budget 2018 is adjusted according to Quarterly Accounts as per September 30 2018

Departments consists of costs regarding Computer Science, Digital Design, Business IT, the Study Board, the PhD School and the Library.

Technical and administrative departments consists of costs regarding Student Affairs and Programmes, Research Support and Learning Support, the Communication Department, the IT Department, Facilities Management, the Department of Finance and Personnel, Executive Management and finally provisions for strategic growth, holiday pay, parental leave, taxes and other company matters.

Building consists of rent including property taxes and other building costs according to the Danish Facilities Management Benchmark (DFM-benchmark). The DFM-benchmark includes costs for building maintenance, installations, utility companies, cleaning, security and other services.

In table 1, we show income, cost and equity 2019 including a decline/increase in the equity/income ratio of 0.23 in 2019, which is above the preferred level of 0.18.

The Budget Proposal shows a positive result of DKK 3.7 M in 2019. This includes a management pool of DKK 4.5 M to sustain ongoing strategic actions.

Table 2: Staff forecast

Staff (FTE)	Budget Framework		Change	Budget 2019
	2018	2019		
Full-time senior researchers	62.0	67.8	2.0	69.8
Full-time non-senior researchers	67.3	61.5	4.0	65.5
Full-time department staff	129.3	129.3	6.0	135.3
Part-time external lecturers	16.8	17.6	0.6	18.2
Part-time other	32.7	37.0	-1.8	35.2
Part-time department staff	49.5	54.6	-1.2	53.4
Externally funded research staff	29.9	47.7	-3.4	44.3
Technical and administrative staff	149.3	152.9	2.4	155.3
All staff	358.0	384.5	3.8	388.3

Table 2 shows the changes in scientific and administrative staff. The heads of department have planned faculty staffing in compliance with the Quality Policy for education and PP-model.

Full-time department staff has increased by 6.0 FTE compared with framework budget 2019, caused by an increase in admitted students. Technical and administrative staff has been adjusted upwards, to fulfill our Department/Technical and administrative staff growth ratio.

Part-time department staff is reduced due to a new estimation based on historical ratio between part-time department staff and student FTEs.

Externally funded research staff has decreased by 3.4 FTE, as we have adjusted External research funding downwards.

Government grants and tuition fees

In table 3, we show the student activity forecast in students numbers and income, which we base on the admission forecast in table 4 and rates from the Budget Proposal Act in table 5.

Table 3: Student activity forecast

Study Activity	Budget 2018		Framework 2019		Change		Budget 2019	
	units	KDKK	units	KDKK	units	KDKK	units	KDKK
Students, BSc	611	56,534	691	45,825	0	6	691	45,831
Students, MSc	765	70,744	788	52,268	20	1,294	807	53,562
Students, guests and foreign scholarships	36	4,591	40	4,321	1	212	41	4,533
Students, full-time (FTE)	1,412	131,869	1,519	102,414	20	1,512	1,539	103,926
Students, part-time (FTE)	61	7,382	60	6,786	4	527	64	7,313
Employment bonus	0%	0	69%	3,862	0	49	69%	3,911
Excess study time bonus	0%	0	100%	5,808	0	-175	100%	5,633
Quality		0		869	0	0		869
Completion (number)	455	16,856	-	-0	0	231	-	231
Bonuses		16,856		10,539	0	105		10,644
Other student activity		1,601		1,397	0	-223		1,174
Total income from study activity		157,708		121,136		1,921		123,057

The income from education in 2019 is low compared to Budget 2018, but is little higher than framework budget 2019, as we are admitting more students than budgeted in 2018. FFL 2019 includes a reduction of government rates by 25 pct. On the other hand, education base grant has increased by a similar amount based on the study activities level of 2017. The income from education are increasing from DKK 121.1 M to DKK 123.0 M, as we expect to admit more full time students.

Completion bonus are omitted from 2019, instead employment bonus and excess study time bonus is introduced. We expect to fulfill the employment bonus by 69 pct. and excess study time bonus by 100 pct.

Table 4: Student admission forecast

Admission (Number of students)	Actual 2017	Admitted 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022
B-SWU	147	149	140	140	140	140
B-DDIT	63	59	59	59	59	59
B-GBI	67	69	60	60	60	60
B-DS	56	64	83	100	100	100
BSc	333	341	342	359	359	359
K-DDIT	145	139	134	130	130	130
K-DIM	132	159	130	130	130	130
K-SDT	160	0	0	0	0	0
K-SD	0	79	65	70	75	75
K-CS	0	91	126	150	162	162
K-GAMES	61	49	50	50	50	50
MSc	498	517	505	530	547	547
M-ILM	48	40	40	40	40	40
M-IND	0	0	0	0	0	0
M-SEN	4	0	0	0	0	0
Master	52	40	40	40	40	40
Total	883	898	887	929	946	946

Table 4 shows the admission forecast for each study programme.

Table 5: Student activity rates

Student activities rates (DKK)	2018	2019	2020	2021	2022
Government Grant, BSc (FTE)	92,500	66,355	65,036	63,737	62,469
Government Grant, MSc (FTE)	92,500	66,355	65,036	63,737	62,469
Government Grant, Guest students (FTE)	92,500	66,355	65,036	63,737	62,469
Employment rate target	0.0%	94.6%	94.6%	94.6%	94.6%
Excess study time target months	0	3.8	3.8	3.8	3.8
Government Grant, part-time SEN (FTE)	41,000	39,639	38,841	38,062	37,301
Government Grant, part-time IND (FTE)	41,000	39,639	39,639	39,639	39,639
Government Grant, part-time ILM (FTE)	29,600	28,604	28,028	27,466	26,916
Tuition fee, part-time students	85,000	85,000	85,000	85,000	85,000

Table 5 shows the student activity rates from Budget Proposal Act for 2019 and the steady reduction of government grants for student FTEs each year.

External research funding

Income and costs regarding external research funding has decrease with DKK 2.6 M as we include an expected delay in activities of 7 pct. We have estimated the percentage in delay based on, the actual delay compared to the budget from the last three years.

Other income from Departments

Other income from Departments is unchanged from the framework budget 2019.

Other income from Technical administrative departments

Other income from Technical administrative departments is unchanged from the framework budget 2019.

Facilities subleasing

Income from Facilities subleasing is unchanged from the framework budget 2019.

Departments

Departments show an increase in personnel costs by DKK 3.1 M compared to framework budget 2019. The increase in personnel and costs, is caused by an increase in admitted students and hence an increase in Student FTEs.

Departments also show an increase in other operating costs by DKK 1.8 M compared to framework budget 2019. We have added costs regarding co-financing of Center for Public IT Projects, and updated dims calculation.

Technical and administrative departments

Technical and administrative departments show an increase in personnel costs by DKK 2.4 M compared to framework budget 2019. We estimate that an increase of 1.0 scientific FTE will result in an increase of 1.0 administrative FTE. Furthermore we have adjusted provisions for holidays pay upwards by DKK 0.5 M.

Other operating costs also shows an increase by DKK 1.1 M compared to framework budget 2019. The increase is caused by Strategic reserve for technical administrative departments and new regulation in energy reimbursement. Additionally we have moved costs regarding implementing IDM System DKK 0.5 M from 2018 to 2019.

Building

Building costs has decreased by DKK 0.3 M from framework budget 2019 to budget proposal 2019, as we have adjusted cost to follow the new information on the leasing contract.

Building costs includes additional building costs of DKK 2.5 M in 2019, as we expect to rent additional facilities to accommodate growth in students and staff from summer 2019. But additional costs of DKK 2.5. M in 2019 is far from sufficient. Currently we do not have the exact estimate for additional facilities, but additional facilities will require moving, setup and leasing costs. A preliminary researching is ongoing, and we will present an overview of costs regarding additional facilities, when we receive a leasing contract.

Financial income and costs

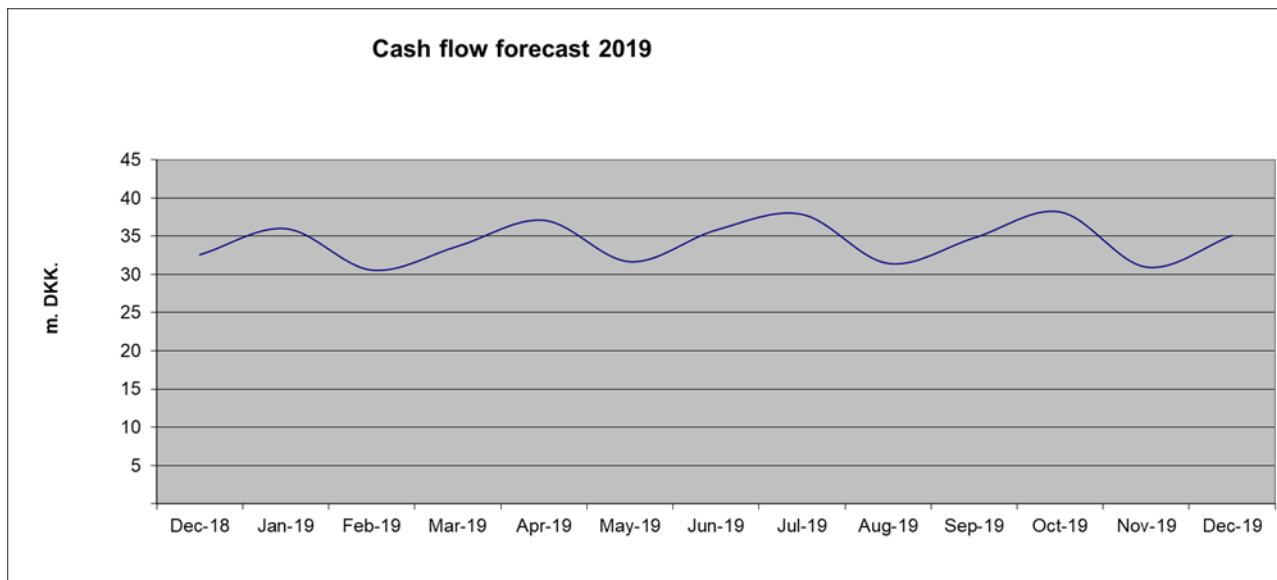
Financial income and costs is unchanged.

Cash Flow

The cash flow forecast below shows cash holdings to be positive throughout the year 2019. Mainly, this is due to the monthly instalments of government grants and tuition.

The cash flow peaks low in February, May, August and November due to the quarterly payments of rent. At the end of the year cash holdings are DKK 35.0 M.

The Department of Finance and Personnel is charged with monitoring the cash flow throughout the year, and will advise Executive Management to transfer funds from capital investments to cash holdings to avoid overdraft during the year, if necessary.



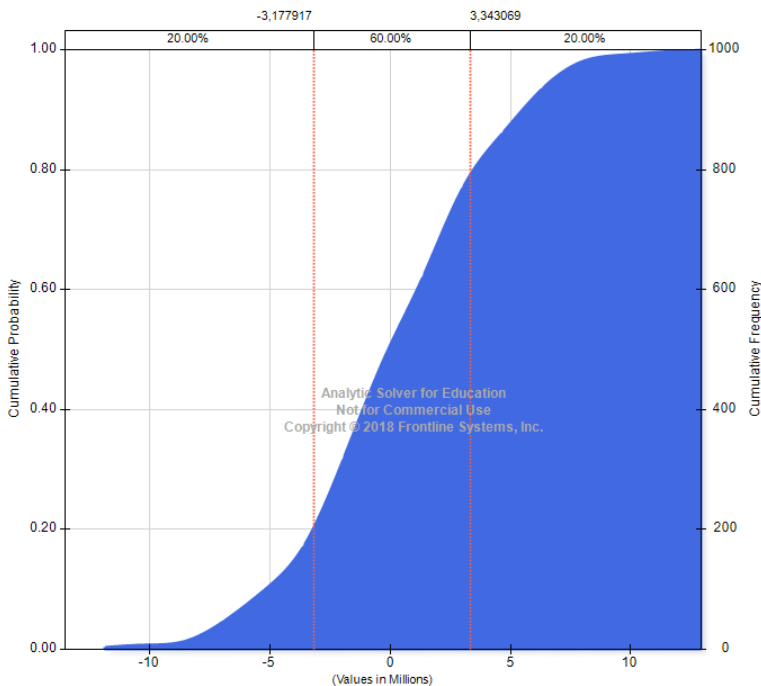
Uncertainties regarding Budget Proposal 2019

We base the Budget proposal on the Budget Proposal Act, and we assume that Parliament pass the final Budget Act without substantial changes.

The ordinary operating uncertainties, which could affect the Budget Proposal, includes production of full-time and part-time student FTE, external research funding, self-insurance.

Expected capital gain on investments is estimated to DKK 0.9 M. However, the capital markets are somewhat volatile, and the actual bond prices might significantly influence the year-end result.

Figure 1: Operating uncertainties related to end year result 2019



The simulation in figure 1 indicates that the probability of the actual result being at least DKK 3.1 M less than the budgeted result of DKK 3.7 M is approx. 20 pct. Equally, the probability of the actual result being at least DKK 3.3 M more than the budgeted result of DKK 3.7 M is approx. 20 pct.

Appendix *Uncertainties related to Budget Proposal 2019* elaborates further on uncertainties included in the simulation of ordinary operating risks and the specific operating risk regarding Budget Proposal Act and building.