

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 21, 2024, at 14:00 – 17:00, in room 3A20/28, IT University of Copenhagen, Rued Langgaards Vej 7, 2300 Copenhagen S

Public items:

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

2. News from ITU (briefing)

3. The Accounting of Third Quarter and the Prediction of the Result of the Year 2024 (briefing)

Enclosure 1: Accounts of the ITU as per September 30, 2024

4. Fulfilment of Strategic Contract Targets 2024 (discussion)

Enclosure 2: Follow-up on Focal Strategic Targets 2024

5. Strategic Activities for 2025 (briefing)

Enclosure 3: Strategic Activities for 2025

6. The Budget 2025 (decision)

Enclosure 4: The Budget Proposal 2025

7. Strategy 2026 – 2029 Process (decision)

Enclosure 5: Strategy 2026 – 2029 Process

Confidential items:

8.

9.

10.

11.

12.

Public items:

13. Questions Regarding Mail-delivered Briefings (briefing)

14. Any Other Business

15. The Board´s 15 Minutes

The Executive Management´s comments on the agenda

Public items:

Item 1: Approval of the Minutes from the Previous Meeting (decision)

No comments to the minutes from the meeting on September 19, 2024, have been received.

Recommendation:

The Executive Management recommend that the minutes be approved.

Item 2: News from ITU (briefing)

- Planned Front Renovation, Rued Langgaards Vej 7
- Status on SIS
- Status on DIIP

At the meeting, Executive Management will give a briefing on what is happening at the ITU.

Item 3: The Accounting of Third Quarter and the Prediction of the Result of the Year 2024 (briefing)

Enclosure 1: Accounts of the ITU as per September 30, 2024

We refer to the enclosure.

Item 4: Fulfilment of Strategic Contract Targets 2024 (discussion)

Enclosure 2: Follow-up on Focal Strategic Targets 2024

We refer to the enclosure.

Item 5: Strategic Activities for 2025 (briefing)

Enclosure 3: Strategic Activities for 2025

We refer to the enclosure.

Item 6: The Budget 2025 (decision)

Enclosure 4: The Budget Proposal 2025

We refer to the enclosure.

Recommendation:

The Executive Management recommend that the budget 2025 be approved.

Item 7: Strategy 2026 – 2029 Process (decision)

Enclosure 5: Strategy 2026 – 2029 Process

We refer to the enclosure.

Recommendation:

The Executive Management recommend that the strategy 2026 – 2029 process be approved.

Confidential items:

Item 8

Item 9:

Item 10.

Item 11.

Item 12

Public items:

Item 13: Questions Regarding Mail-delivered Briefings (briefing):

No mail-delivered briefings have been sent out since the board meeting in September.

Item 14: Any Other Business

Item 15: The Board´s 15 Minutes

For board members only.

Yours sincerely,

Gitte Gramstrup
Assistant to the Executive Management

Enclosure 1

Accounts of the IT University of Copenhagen, as per September 30, 2024

This report presents the third quarter actual accounts and the revised forecast of September 30, 2024, including a cash flow forecast and revised assumptions and uncertainties.

Table 1: Overview of income, costs and equity

Financial items (KDKK)	Budget 2024	FCST 2024	FCST 2024
		July	October
Income	438,619	437,234	439,284
Personnel costs	-291,561	-287,115	-291,794
Other operating costs	-148,078	-150,042	-147,178
Profit from ordinary operations	-1,020	77	312
Financial income and costs	1,519	2,919	3,119
Profit, year-end	499	2,996	3,431
Equity, end-year*	65,063	78,300	78,735
Equity/income ratio	0.15	0.18	0.18

*Equity, end-year in Budget 2024 are based on Accounts as per October 31 2023. While Equity, end-year in July and October Forecast 2024 are based on actual accounts as per December 31 2023.

Table 1 shows an overview of income, costs and equity. Executive Management expects the year-end result to increase from DKK 3.0 M to DKK 3.4 M.

The increase in equity from DKK 65.1 M to 78.7 M is due to the positive net result of 2023.

We elaborate on income and costs in the section *third quarter financial follow-up*.

Table 2: Staff forecast

Staff Forecast (FTE)	FCST 2024 July	Change	FCST 2024 October
Researchers	135.8	2.4	138.2
Researchers, external funding	83.9	-1.5	82.4
Academic staff, full-time	219.7	0.9	220.6
External lecturers	9.7	0.5	10.2
Other part-time teachers and external examiners	38.4	0.0	38.4
Academic staff, part-time	48.1	0.5	48.6
Academic staff, M&A*	11.4	0.8	12.2
Academic departments, staff	279.2	2.2	281.4
Administrative departments, staff	172.4	0.6	173.0
Staff total	451.6	2.8	454.4
Administrative/academic staff ratio	0.69	0.0	0.69

*M&A includes Head of departments, lab managers, student workers for research activities

Table 2 shows the forecast on staff. We have adjusted the number of researchers and external lecturers to match the detailed review of the salary forecast as per September.

Due to the successful recruiting of PhD students, we increase the forecast about Researchers compared to the July forecast.

The forecast about researchers, externally funded drops by 1.5 FTEs, due to the downward adjustment in external research grants. The adjustment is based on a detailed review of the project portfolio forecast. We elaborate on the matter in the section about external research spending.

The forecast about the administrative staff increases by 0.6 FTEs as we have adjusted the forecast upwards to match the detailed review of the salary as per September.

The forecast shows the administrative/academic staff ratio is still well below the sector average of 0.75 FTE, all staff included.

Third Quarter financial follow-up

In Table 3, we show the estimated income and costs compared to actual accounts at the end of the third quarter, and the October forecast. In general, the estimate per September 30 is equal to 3/4 of forecast October 2024.

We elaborate on significant deviations and changes for budget items in the following sections.

Table 3: Break down of income and costs

Budget items (DKK)	Estimate per 30 Sep	Actual per 30 Sep	Deviation per 30 Sep	FCST 2024 July	Change	FCST 2024 October
Study activity grants and tuition fees	124,543	124,543	0	165,309	748	166,057
Education, base grants	33,240	33,240	0	44,320	0	44,320
Research, base grants	111,509	111,509	0	148,679	0	148,679
Other government grants	-13,451	-13,451	0	-17,934	0	-17,934
External research grants	60,947	57,876	-3,071	81,959	-696	81,263
Facilities subleasing	4,102	4,256	154	5,469	0	5,469
Other commercial activities and grants	8,573	8,896	323	9,432	1,998	11,430
Income	329,463	326,869	-2,594	437,234	2,050	439,284
Personnel costs	39,553	39,461	-92	53,051	-314	52,737
Other operating income and costs	9,595	8,366	-1,229	12,847	-54	12,793
External research	49,148	47,826	-1,321	65,898	-368	65,530
Personnel costs	97,075	98,706	1,631	125,478	3,955	129,433
Other operating costs	11,743	10,255	-1,487	14,602	1,055	15,657
Academic departments	108,818	108,961	143	140,080	5,010	145,090
Personnel costs	82,218	80,061	-2,157	108,586	1,038	109,624
Other operating costs	33,658	32,405	-1,252	46,605	-1,728	44,877
Administrative departments	115,876	112,466	-3,410	155,191	-690	154,501
Building	54,533	50,443	-4,090	71,965	746	72,711
Management pools	0	0	0	4,023	-2,883	1,140
Ordinary operating net costs	328,374	319,696	-8,678	437,157	1,815	438,972
Profit from ordinary operations	1,089	7,173	6,084	77	235	312
Financial income and costs	2,339	6,786	4,447	2,919	200	3,119
Profit	3,428	13,959	10,531	2,996	435	3,431

Academic departments consist of costs regarding Computer Science, Digital Design, Business IT, The Dean of Education, the PhD School, the Library and research centres.

Administrative departments consist of costs regarding Student Affairs and Programmes, the Communication Department, the IT Department, Facilities Management, the Department of Finance, HR, Management Secretariat and finally provisions for 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 (+0.8 M)

Actual income follows the estimate as per September 30.

As shown in table 4, the expected income from study activity is DKK 0.8 M above the July forecast, corresponding to an increase in student activity from the full-time students. The final full-time student FTE

earnings from summer school and reexaminations in August, and consequently, the total 2024 student FTE earnings, ends up a bit higher than estimated in the July forecast 2024. The difference amounts to approximately 9 student FTEs. The difference is equally distributed across the 10 full-time study programmes.

As per September, 35 part-time Master students are admitted. Although it is 5 students below the budget of 40 admitted students, it is the highest number of admitted Master students after the revision of the Master Programme in 2021. The number of students admitted will result in a minor decrease in part-time student FTEs compared to the July forecast.

Table 4: Study activity forecast

Study Activity Forecast	FCST July 2024		Change		FCST October 2024	
	units	KDKK	units	KDKK	units	KDKK
Students, BSc	864	64,008	-	0	864	64,008
Students, MSc	956	70,832	9	660	965	71,492
Students, guests and foreign scholarship students	67	6,171	0	7	67	6,178
Students, full-time (FTE)	1,887	141,011	9	667	1,896	141,678
Students, part-time (FTE)	46	7,135	-3	-398	43	6,737
Employment bonus	100%	7,740	0%	37	100%	7,777
Excess study time bonus	100%	7,740	0%	37	100%	7,777
Quality		-0		-0		-0
Bonuses		15,480		74		15,554
Other student activity		1,683		405		2,088
Total income from study activity		165,309		748		166,057

Base grants and other government grants

Actual income from base grants and other government grants follows the estimate as per September 30. Forecast October on base grants and other government grants follows the July forecast.

External research grants (-0.7 M)

Actual income is below the estimate as per September 30 by DKK 3.1 M. The most recent external funding forecast from Research Support shows a decrease of DKK 0.7 M.

The external research funding forecast includes a general assumption of delays in planned activities and an assumption of spending generated from upcoming grants.

Facilities subleasing (0.0 M)

Actual income from facilities subleasing is above the estimate as per September 30 by DKK 0.2 M.

We have a total of 3,900 square meter of office spaces available for subleasing. The Budget 2024 includes an expectation of subleasing 43 pct. of office spaces in 2024. Currently subleasing of office spaces is at 70 pct.

Other commercial activities and grants (+2.0 M)

Actual income is above the estimate as per September 30 by DKK 0.3 M. The forecast has been adjusted upwards with DKK 2.0 M. Mostly, the additional income derives from research activities and sponsorships other than external research grants. To match the additional income, we have also adjusted other operating costs upwards as described in the sections below.

External research (-0.4 M)

The forecast has been adjusted downwards to match the changes elaborated in the section about External research grants with DKK 0.4 M.

Actual personnel costs are above the estimate as per September 30 by DKK 0.1 M. Actual other operating costs are below the estimate as per September 30 by DKK 1.3 M.

Finance estimates an average overhead around 25 pct. of direct costs for administration and infrastructure.

Academic departments (+5.0 M)

The actual personnel costs are above the estimate as per September 30 by DKK 1.6 M.

We base the personnel forecast from September on the hiring plans from the departments. In previous years, the hiring plans from the department heads tend to be optimistic, thus we reduce the personnel forecast for the departments. In the October forecast we expect department heads to make full use of their revised salaries budget, i.e. we have reduced the general reduction of 2 pct to 0 pct. Furthermore, the successful recruitment of PhD Students increases the general cofinancing commitment and thus the salaries budget.

The actual costs for other operations are below the estimate as per September 30 by DKK 1.5 M. As in previous years, we expect activities to pick up during the rest of the year. The forecast has been adjusted upwards with DKK 1.1 M to match additional income from the departments.

Administrative departments (-0.7 M)

We base the personnel forecast from October on the hiring plans from the departments.

The actual personnel cost is below the estimate as per September 30 by DKK 2.2 M.

The actual costs for other operations are below the estimate as per September 30 by DKK 1.3 M. We expect costs regarding transfers from management pools such as purchase and installation of integration platform to be incurred during the rest of the year. The October forecast has decreased by DKK 1.7 M, as we have adjusted costs downwards to match the expected level of spending.

Building (+0.8 M)

Actual costs are below the estimate as per September 30 by DKK 4.1 M. We expect costs to pick up during the final quarter, as usual. The forecast has been adjusted upwards by DKK 0.7 M as we expect costs regarding building maintenance to increase.

Management pools (-2.9 M)

Management pools has decreased by DKK 2.9 M which reflects transfers from management pools to other budget items to support strategic actions.

Financial income and costs (+0.2 M)

Financial income is above the estimate as per September 30 by DKK 4.4 M. The forecast has been adjusted upwards by DKK 0.2 M, as the bank deposit interests have increased. The current interest rate on deposits is 3.1 pct.

We will elaborate more about the capital market in the section Uncertainties.

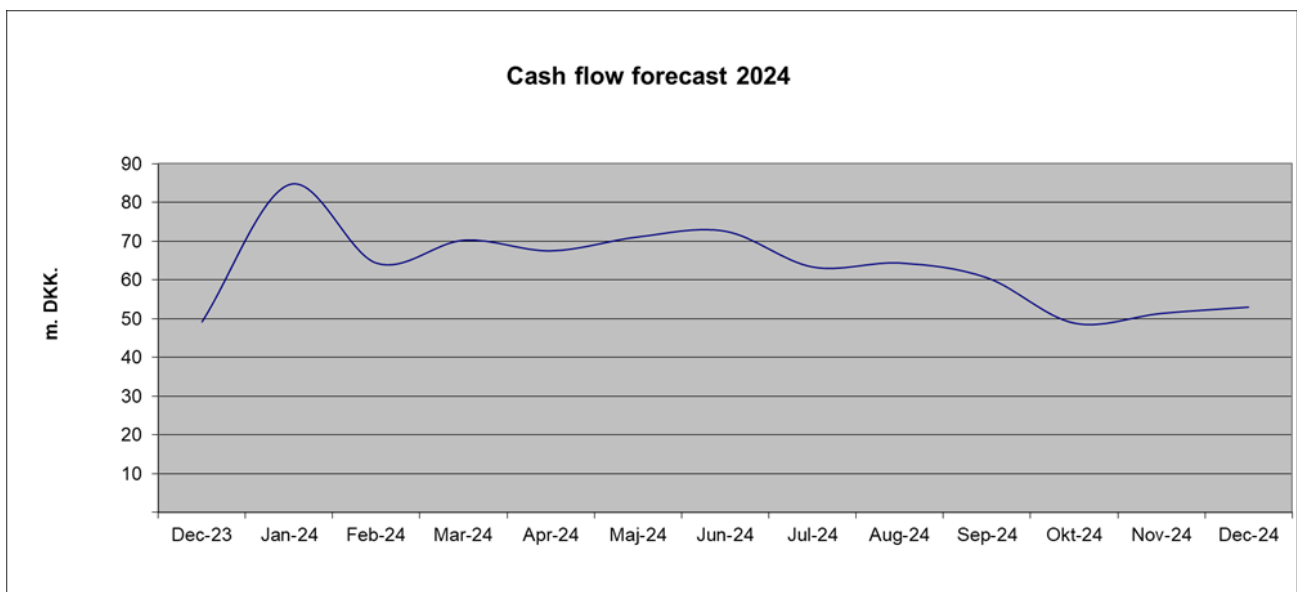
Cash flow forecast

Cash flow forecast 2024

The cash flow forecast below shows cash holdings to be positive throughout the year 2024. Mainly, this is due to the monthly instalments of government grants and tuition.

The cash flow starts at DKK 49 M and increases in January due to a payment of DKK 41 M from a large research project and drops in February due to payout of funds to other research partners. We are expecting a payout of DKK 35 M in total in 2024. April, July, and October drop due to the quarterly payments of rent. The cash flow holdings have a stable development, and at the end of the year, cash holdings are expected to amount to DKK 53 M.

The Department of Finance 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

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.

Uncertainty regarding external research grants

The forecast on external research grants, i.e., the spending of grants comes with the inherent risk of delays in the existing project portfolio and additional spending from upcoming awards. Historically, the October forecast may deviate up to ± 4 pct. from the end year result.

Uncertainty of the capital markets

The capital markets are volatile, and current positive return on capital investments may fluctuate significantly before the end of the year.

Enclosure 2

Follow-up on Strategic Targets for 2024

The report stated in the chart below represents the results as of 1 October 2024.

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 Strategisk mål 1 Per	In the first quarter of 2024, the Lifelong Learning Strategy will be completed. According to the Implementation Plan this will be presented at the IT University Governance Meeting in Autumn 2024. The implementation will be initiated in accordance with the Implementation Plan.	<p>The Implementation Plan has been completed and approved by the Executive Management and the project organisation. Hereafter the Implementation Plan is expected to be initiated.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	

<p>T2 Strategisk mål 2 Per</p>	<p>The Executive Management will ensure the best possible outcome for the IT University from the 2024 work with the Candidate Reform.</p>	<p>With the near completion of the work of the "Master's Degree Committee", the IT University internal task force of the Reform of the Danish University Education Programmes has now been dissolved.</p> <p>The IT University continues to actively participate in the "Dean's Committee within the Natural Science Area" which is working with coordination between universities.</p> <p>In order to maintain, or ideally increase, the number of students at the IT University, the university is actively pursuing and progressing as planned with the two new "MSc study programmes for working professionals".</p> <p>The target is expected to be achieved.</p> <p>There will be a follow up after fourth quarter 2024.</p>	
<p>T15 Kasper Støy</p>	<p>In 2024, the IT University will offer, hold and evaluate the ECTS earning PhD course developed in 2023 regarding career opportunities outside the university sector.</p>	<p>The course description for the one-day PhD course has been prepared and awaits approval. The course may be held before the end of the year; otherwise, it is scheduled for early next year.</p> <p>There will be a follow up after fourth quarter 2024.</p>	
<p>T25 Analyse- teamet</p>	<p>In 2024, the IT University will maintain a high employment proportion of 80-90 per cent in the private sector for employed MSc graduates in 2019.</p>	<p>In 2024, 80 per cent of the employed MSc graduates from the IT University were employed in the private sector.</p> <p>The target is achieved in 2024.</p>	

<p>T32 Strategisk mål 3 Lone</p>	<p>Based on the approved IT University Climate Strategy, a Climate Action Plan focusing on research and education at the IT University will be prepared and approved. In 2024, the IT University will initiate the implementation according to the Climate Action Plan.</p>	<p>The Climate Action Plan has been completed with specific actions related to education, research, international excellence through collaborative research, initiation of research partnerships and outreach within Danish society. The implementation of these actions is proceeding according to the plan.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	
<p>T35 Strategisk mål 4 Lene DP</p>	<p>In 2024, an Action Plan will be developed as a cooperation between the Research Committee and ITU InnoCollab to ensure implementation of the Ministry of Higher Education and Science supported innovation areas.</p>	<p>As Part of the political focus on increasing innovation at the Danish universities The Ministry of Higher Education and Science has approved to support the IT University with DKK 2.5 million over the coming years, regarding:</p> <ol style="list-style-type: none"> 1) creating an IT University Proof of Concept (PoC) program with at least DKK 1 million earmarked 2) a model to support researchers' outgoing activities and services and 3) capacity building regarding how to drive and lead innovation. <p>An action plan has been developed in collaboration between ITU InnoCollab and the Research Committee to ensure implementation of these three initiatives.</p> <p>The target has been achieved in 2024.</p>	

<p>T42 Strategisk mål 5 Kirsten</p>	<p>In the second to fourth quarter of 2024, a Leadership Development Programme, to be executed in 2025, has been planned.</p>	<p>The Development of the Leadership Development Programme at the IT University, in collaboration with an external consultant, is progressing as planned.</p> <p>The first workshop in the analysis phase is scheduled for 21 October 2024.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	
<p>T43 Strategisk mål 6 Kirsten</p>	<p>In 2024, the new Research Sections will be created in an involving process.</p>	<p>The planned process for restructuring of three academic departments into one department which is divided into several sections, aims to address key findings from the Workplace Assessment (Danish: APV), such as creating transparency, trust and cross-departmental collaboration.</p> <p>In the third quarter of 2024, internal workshops with all academic employees (VIP), along with workshops facilitated by an external consultant, have supported a transparent and inclusive process.</p> <p>The proposed organisation of sections will, after a hearing, be approved by the Main Co-operation and Safety Board on 21 October 2024.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	

<p>T44 Strategisk mål 7 Kirsten</p>	<p>The IT University will improve the diverse and inclusive culture in all parts of the organisation by embracing, accommodating and demanding diversity. For achieving this, a number of actions must be identified and acted upon in 2024.</p>	<p>The Committee for Diversity and Inclusion at the IT University has prepared an Action Plan for improving the diverse and inclusive culture in all parts of the organisation. The Action Plan has been approved by the Executive Management in March 2024 and is followed consistently to date.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	
<p>T46 Strategisk mål 8 Georg</p>	<p>Based on the approved IT University Climate Strategy, the IT University will conduct how to implement an ESG measurement.</p>	<p>An Action Plan for ESG (Environmental, Social and Governance) reporting will be developed and is expected to be approved by the Executive Management in 2024.</p> <p>The target is expected to be achieved in 2024.</p> <p>There will be a follow up after fourth quarter 2024.</p>	

ENCLOSURE 3

Strategic activities for 2025:

The 6 prioritized activities 2025 are proposed hereunder:

Fulfilling ITU's strategy and the Strategic Framework Contract with the Ministry of Higher Education and Science:

Lifelong Learning:

1. Implementation of the Strategy of Lifelong Learning

ESG action plan

2. Implementation of ESG action-plan in the administration

Bringing ITU forward

Follow up on APV:

3. Implementation of the new organization of the Research Department
4. Implementation of Leadership mindset

Candidate Reform

5. Implementation of Candidate Reform to ensure ITU benefits the best possible outcome

New ITU strategy

6. A new ITU strategi shall be formed as an iterative process to ensure overall commitment and alignment.

Process to identify Strategic prioritized activities in 2025:

To identify the strategic actions in 2025, the ITU management group* at their strategy seminar in 2024, evaluated the progress of both ITU's strategy and the Strategic Framework Contract with the Ministry of Higher Education and Science. The objective was to assess if any goals required increased attention in 2025, to ensure fulfillment.

The outcome of the strategy seminar was that most of the goals have shown satisfactory progress and just a few needs prioritized attention in 2025. However, the management group found that the follow-up on the APV should have high priority together with the Candidate Reform and new ITU strategy, as they all contribute to bringing ITU forward.

**) ITU Management Group 2024: Heads of research departments, Heads of administrative departments and Executive Management*

Enclosure 4

Budget Proposal 2025

This presentation concerns the ITU Budget Proposal 2025.

Summary

Since the approval of the Framework Budget at the September meeting, we have prepared Budget Proposal 2025. Budget Proposal 2025 still shows a negative result of DKK 1.8 M in 2025.

The Budget Proposal 2025 includes a management pool of DKK 4.3 M in 2025 to support strategic actions and investments in IT infrastructure and IT security.

Executive Management recommends that the Board approves the submitted Budget Proposal 2025.

General assumptions

We base the Budget Proposal on equity at the end of 2024 as expected in the accounts as per September 2024 from October 2024.

We regulate government grants with a +3.0 pct. average price/wage inflator, as stated in the Budget Proposal Act. We regulate personnel costs and other operating costs with +4.1 pct. and +1.2 pct. in 2024, respectively.

Equity and equity/income ratio

Table 1 shows equity and the equity/income ratio. Note that the equity end-year 2024 is based on third quarter forecast 2024. In 2025 the equity ratio is below the preferred level of 0.18.

Table 1: Equity

Budget items (DKKK)	Forecast 2024 Q3	Framework 2025	Change	Budget 2025
Equity, end-year*	78,735	76,966	0	76,966
Equity/income ratio	0.18	0.17	0.00	0.17

**Equity, end-year in Budget 2024 are based on Accounts as per september 30 2024. While Equity, end-year in Framework 2025 and Budget 2025 are based on equity, end year forecast 2024 Q3.*

Income and costs

In table 2, we compare the income, costs, and equity of the Framework Budget with the Budget Proposal 2025. We elaborate on assumptions about income and costs compared to the Framework Budget in the sections below.

Table 2: Budget Proposal 2025

Budget items (DKKK)	Budget 2024	Framework 2025	Change	Budget 2025
Study activity grants and tuition fees	163,434	173,553	-2,186	171,367
Education, base grants	44,320	45,647	-6	45,641
Research, base grants	130,707	136,026	-2	136,024
Other government grants	38	658	41	699
External research grants	89,043	90,606	1,100	91,706
Facilities subleasing	4,244	5,564	1	5,565
Other commercial activities and grants	6,833	11,314	-241	11,073
Income	438,619	463,367	-1,292	462,075
Personnel costs	59,659	57,713	737	58,450
Other operating income and costs	11,576	15,236	363	15,599
External research	71,235	72,949	1,100	74,049
Personnel costs	123,245	136,208	-1,300	134,908
Other operating costs	14,329	13,499	-107	13,392
Academic departments	137,574	149,707	-1,407	148,300
Personnel costs	108,657	119,240	-362	118,878
Other operating costs	45,243	47,512	579	48,091
Administrative departments	153,900	166,753	216	166,969
Building	71,939	73,233	-38	73,195
Management pools	4,991	5,413	-1,163	4,250
Ordinary operating net costs	439,639	468,055	-1,292	466,763
Profit from ordinary operations	-1,020	-4,688	0	-4,688
Financial income and costs	1,519	2,919	0	2,919
Profit	499	-1,769	0	-1,769

The Budget Proposal 2025 shows a negative result of DKK 1.8 M in 2025.

Table 3: Staff forecast

Staff Forecast (FTE)	Budget 2024	Framework 2025	Change	Budget 2025
Researchers	122.9	131.1	0.0	131.1
Researchers, external funding*	94.3	91.7	-0.4	91.3
Academic staff, full-time	217.2	222.8	-0.4	222.4
External lecturers	18.0	19.1	-0.2	18.9
Other part-time teachers and external examiners	38.3	38.7	1.5	40.2
Academic staff, part-time	56.3	57.8	1.3	59.1
Academic staff, M&A**	11.4	11.4	0.0	11.4
Academic departments, staff	284.9	292.0	0.9	292.9
Administrative departments, staff	174.1	179.7	0.1	179.8
Staff total	459.0	471.7	1.0	472.7
Administrative/academic staff ratio	0.68	0.68	0.00	0.68

*We have implemented a new calculation method more suitable for a larger project portfolio as of April 2024. Thus, we have adjusted Budget 2024 from 106.8 FTEs to 94.3 FTEs to the same method for better comparability in the sections below.

**M&A includes Head of departments, lab managers, student workers for research activities.

Researchers, senior are professors and associate professors.

Researchers include assistant professors, post docs, research assistants, and PhD students.

Administrative staff include permanent positions in the academic departments such as department management, lab managers, research programmers, and student workers assisting researchers.

The number of teaching assistants increases with 1.5 FTEs. The Framework Budget understated the demand of part-time teachers other than external lecturers. Mainly, due to the rise in student FTEs from 2024 to 2025.

The administrative/academic staff-ratio is unchanged compared to the Framework Budget and is still below the average of the Danish university sector an administrative/academic staff ratio of 0.75 (2023-level).

Student activity grants and tuition fees

In table 4, we show the student activity forecast in student FTEs and DKK, which we base on the admission forecast in table 5 and rates from the Budget Proposal Act in table 5.

Table 4: Student activity forecast

Study Activity Forecast	Budget 2024		Framework 2025		Change		Budget 2025	
	units	KDKK	units	KDKK	units	KDKK	units	KDKK
Students, BSc	833	61,710	831	63,409	5	370	836	63,779
Students, MSc	962	71,247	1,053	80,330	-23	-1,779	1,030	78,551
Students, guests	40	2,964	40	3,053	-	-1	40	3,052
Students, foreign scholarships	8	1,695	8	1,746	-	-1	8	1,745
Students, full-time (FTE)	1,843	137,616	1,931	148,537	-18	-1,410	1,913	147,127
Students, part-time (FTE)	43	8,934	48	8,487	-2	-632	46	7,855
Employment bonus	100%	7,557	80%	6,550	0%	-63	80%	6,487
Excess study time bonus	100%	7,557	100%	8,156	0%	-79	100%	8,077
Quality		-0		0				0
Bonuses		15,114		14,705		-141		14,564
Other student activity		1,770		1,823		-2		1,821
Total income from study activity		163,434		173,553		-2,186		171,367

The student activity forecast shows a decrease of 18.0 FTEs in full-time students and a decrease of 2.0 FTEs in part-time students, compared to the Framework Budget. Primarily due to admission, which is 11 full-time students and 5 part-time students lower than expected as per September 2024.

The employment bonus decreases in 2025 compared to budget 2024 as the employment bonus is set at 100 pct. in 2024, as shown in table 4. Due to a government decision to nullify any negative COVID-19 effects on employment bonuses.

Table 5: Student admission forecast

Admission (Number of students)	Budget 2024	Framework 2025	Budget 2025
B-SWU	160	156	157
B-DDIT	59	60	63
B-GBI	60	66	68
B-DS	80	87	91
BSc	359	369	379
K-DDIT	115	109	106
K-DIM	130	159	157
K-SD	120	132	130
K-DS	30	52	45
K-CS	102	106	101
K-GAMES	50	57	55
MSc	547	615	594
M-ILM	40	40	35
Master	40	40	35
Total	946	1024	1008

Table 5 shows the current admission forecast for existing study programmes. The forecast includes the distribution of the additional new study places on MSc study programmes taught in English in 2024. We expect these additional study places to continue in 2025 and onwards. Starting from 2025 the 2023 Educational Reform will significantly change admissions and study programmes towards 2036, cf. the confidential appendix B included in Framework Budget 2025-2028 presented at the board meeting in September.

Table 6: Student activity rates

Student activities rates (DKK)	2024 p/w 2024	2025 p/w 2025
Government Grant, BSc (FTE)	74,100	76,300
Government Grant, MSc 120/22 (FTE)	74,100	76,300
Government Grant, MSc 120/46 (FTE) (NEW)		
Government Grant, MSc 75/12 (FTE) (NEW)		
Government Grant, Guest students (FTE)	74,100	76,300
Employment rate target	0.0%	95.7%
Excess study time target months	3.9	4.4
Government Grant, part-time ILM (FTE)	32,000	32,900
Tuition fee, part-time students	85,000	85,000

Table 6 shows the student activity rates from the Budget Proposal Act for 2025.

Please note, there is no employment rate target in 2024, i.e. the target is set to 0.0 pct. Thus, the employment bonus is set at 100 pct. as shown in table 4. Due to a government decision to nullify any negative COVID-19 effects on employment bonuses. From 2025 the employment rate target is reintroduced.

Base grants for education and research

Base grants for education and research are unchanged compared to the Framework Budget. We subtract the general government grant reduction caused by the 2020 SEA reform in the base grant for research.

Other government grants

Other government grants are unchanged compared to the Framework Budget.

External research grants

Income from external research grants has increased by DKK 1.1 M compared to the Framework Budget, as we include Maritime Hub in the project portfolio.

As in previous years we expect an average overhead contribution of 25 pct. of the direct cost for administration and infrastructure.

Facilities subleasing

Income from facilities subleasing is unchanged compared to the Framework Budget. The forecast is set at the current level of subleasing, i.e., 70 pct. office space available for subleasing from 2025.

In 2024, we have reduced the total square meter of office space available for subleasing from 4,400 to 3,900 square meter, as we expect to utilize new vacancies for Life Long Learning.

Other commercial activities and grants

Other commercial activities and grants decreased by DKK 0.2 M compared to the Framework Budget, as we have adjusted the budget slightly downwards regarding ITU PC.

Academic departments

Academic departments consist of costs regarding of the scientific department, the PhD School, the Library, and research centres.

Recruiting and hiring of academic staff follows a standard set by Executive Management on teaching efficiency. As in previous years, the teaching efficiency is set at 1,567 ECTS per teaching FTE.

We do not expect the academic departments to utilize their full salary budget. Thus, we use a factor of 98 pct., not 100 pct., when we include the salaries in the Budget Proposal.

The personnel costs in the academic departments decrease by DKK 1.3 M, due to a recalculation of the expected salary levels for 2025.

Other operating costs for academic departments decrease by DKK 0.1 M compared to the Framework Budget.

Administrative departments

Administrative departments consist of costs regarding Student Affairs and Programmes, the Communication Department, the IT Department, Facilities Management, the Department of Finance, HR, Executive Management and finally provisions for holiday pay, parental leave, taxes, and other company matters.

In general, we allocate additional resources to the administrative departments from management reserves upon requests and within the average of the Danish university sector administrative/academic staff ratio of app. 0.75.

We expect an administrative/academic staff ratio of 0.68 including management reserves for additional administrative staff.

We do not expect the administrative departments to utilize their full salary budget. Thus, we use a factor of 97 pct., not 100 pct., when we include the salaries in the Budget Proposal.

The personnel costs in the administrative departments decrease by DKK 0.4 M, due to a recalculation of the expected salary levels for 2025.

Other operating costs for administrative departments increase by DKK 0.6 M, as we include costs regarding the new student administration system SIS.

Building costs

Building costs consist 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.

Building costs in 2025 remains unchanged compared to the Framework Budget.

Management pools

Executive Management allocates the funds to the academic departments, the administrative departments or building costs upon request.

The Budget Proposal 2025 includes a management pool of DKK 4.3 M in 2025 to support strategic actions and investments in IT infrastructure and IT security.

Financial income and costs

Financial income and costs are return on investment in the securities portfolio of the IT University. The IT University has a significant surplus operating cashflow, which we place in a securities portfolio to secure a decent interest.

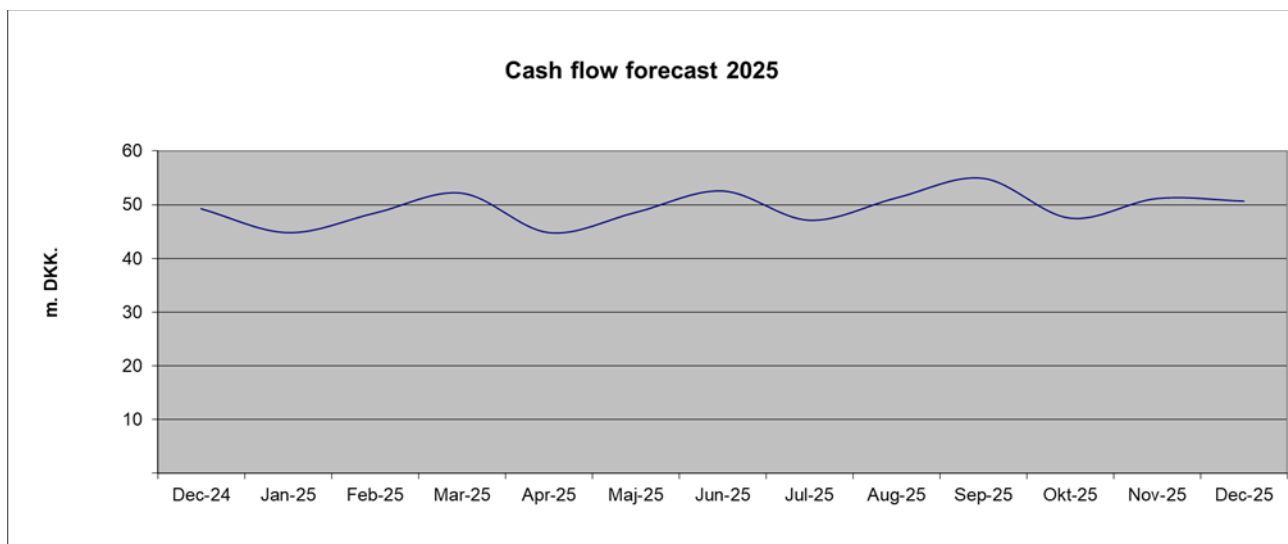
Financial income and costs in 2025 are unchanged compared to the Framework Budget.

Cash flow forecast 2025

The cash flow forecast below shows cash holdings to be positive throughout the year 2025. Mainly, this is due to the monthly instalments of government grants and tuition.

The cash flow starts at DKK 49 M and drops low, especially in January, April, July, and October due to the quarterly payments of rent. Property taxes are paid in February and August. There is an expected positive influence in cash flow in June and July due to payments to the Master courses. Hereafter the cash flow holdings have a stable development, and at the end of the year, cash holdings are expected to amount to DKK 51 M.

The Department of Finance 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 the Budget Proposal

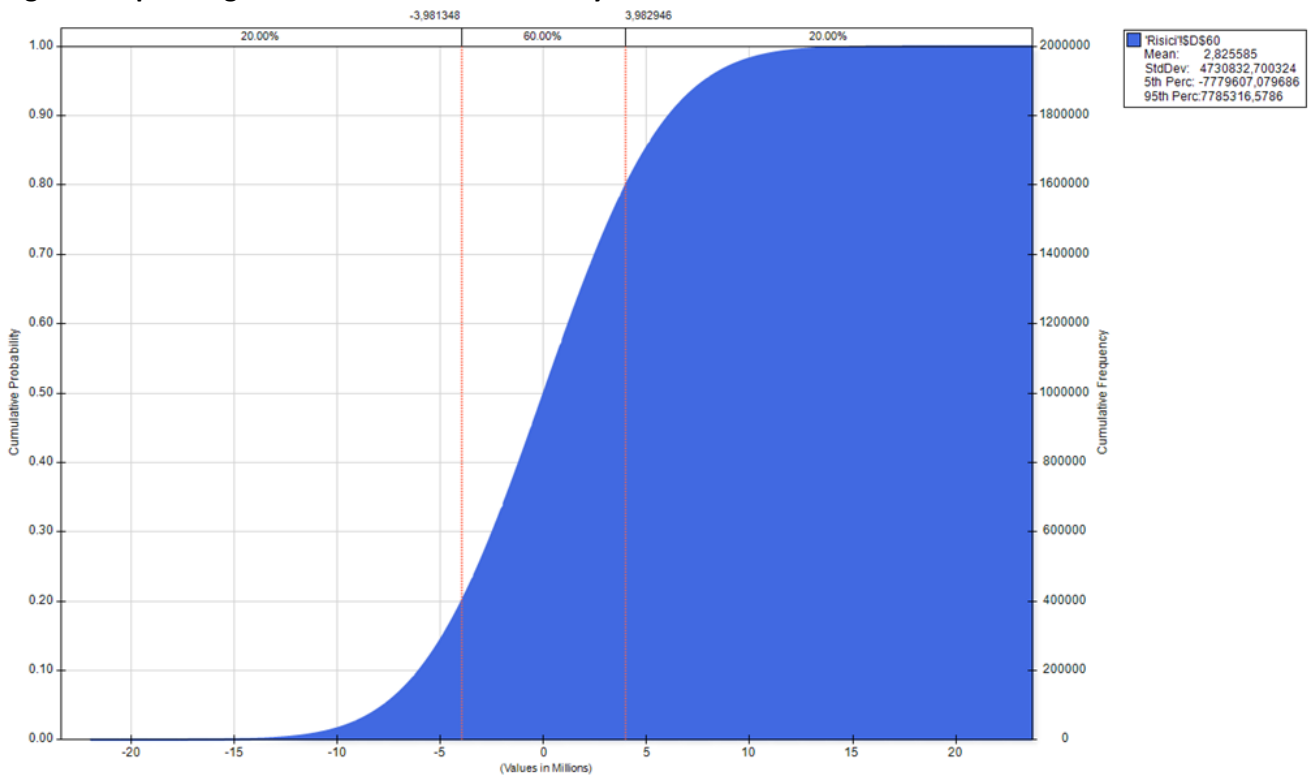
The ordinary operating risks, which could affect the Budget Proposal, include production of full-time and part-time student FTE, external research funding, self-insurance, financial income, government regulation, and educational reforms. Figure 1 displays a simulation where some of these uncertainties have been compared to the Framework Budget result.

The simulation in figure 1 indicates that the probability of the actual result being at least DKK 4.0 M less than the budgeted result of DKK -1.8 M is approximately 20 pct. Equally, the probability of the actual result being at least DKK 4.0 M more than the budgeted result of DKK -1.8 M is approximately 20 pct.

The simulation does not include specific operating risks such as a new student information system (SIS) and the 2023 educational reform.

There are no changes to the ordinary and specific operating risks presented in confidential appendix A included in the Framework Budget 2025-2028 presented at the board meeting in September.

Figure 1: Operating uncertainties related to end year result 2025



Enclosure 5

Plan: ITU strategy 2026-2029

