



being in the bulls eye

Financial sustainability of universities

Danish Universities, coherence of the TRIPLE HELIX

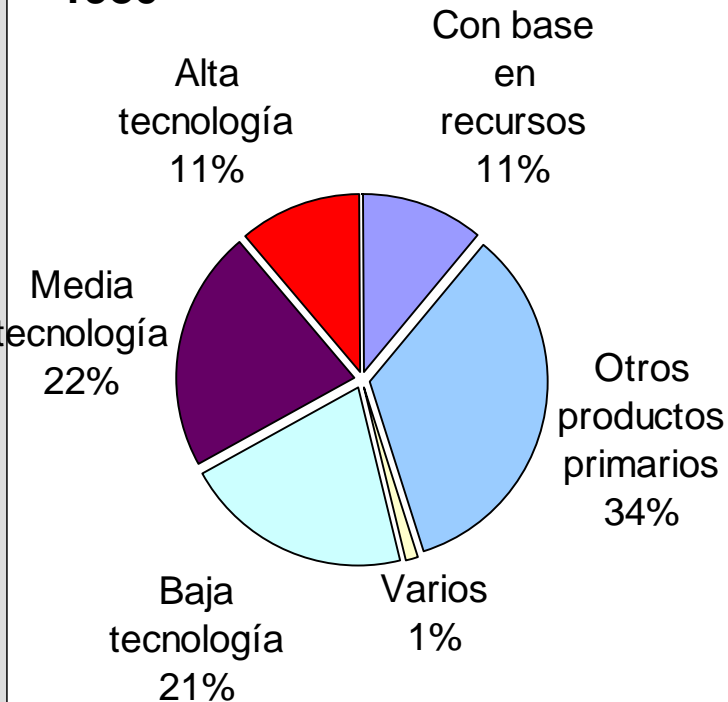


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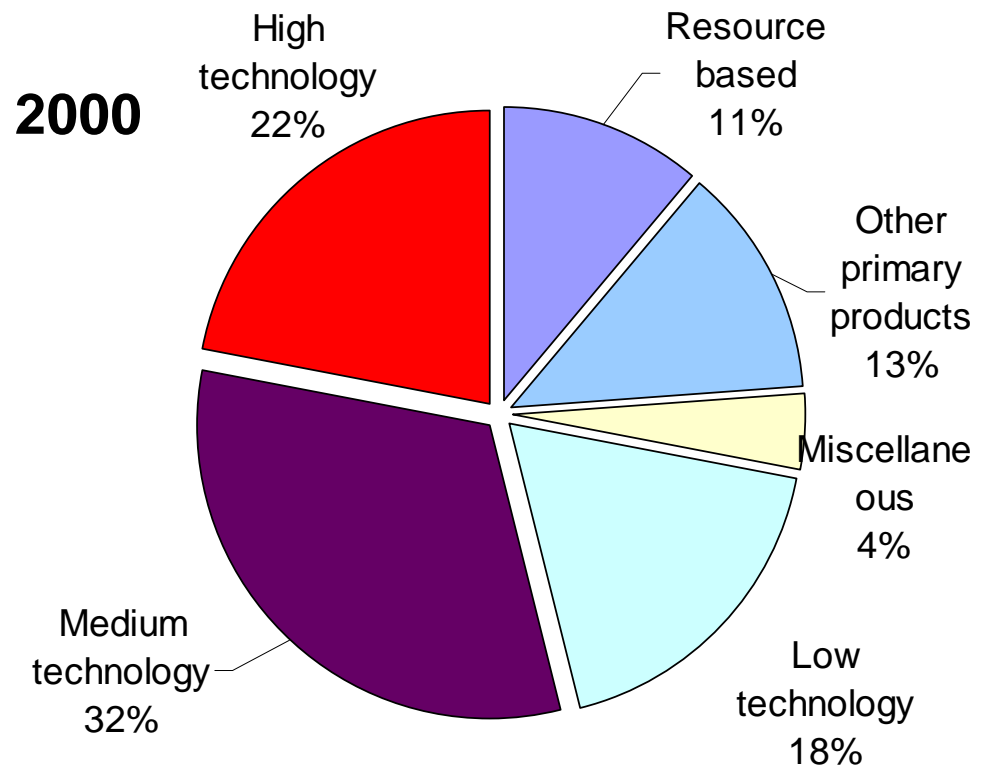
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Composition of the global market for goods

1980



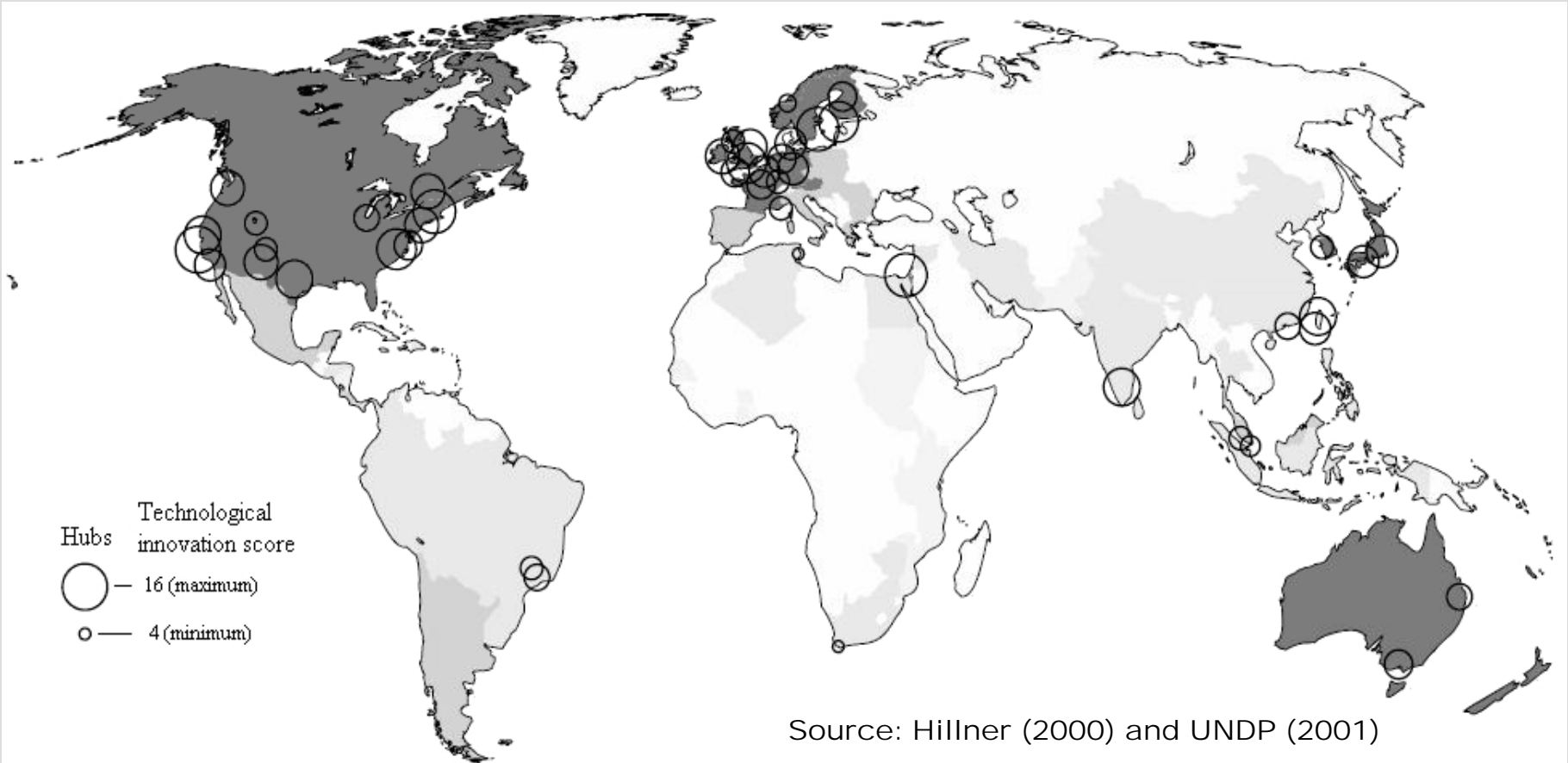
2000



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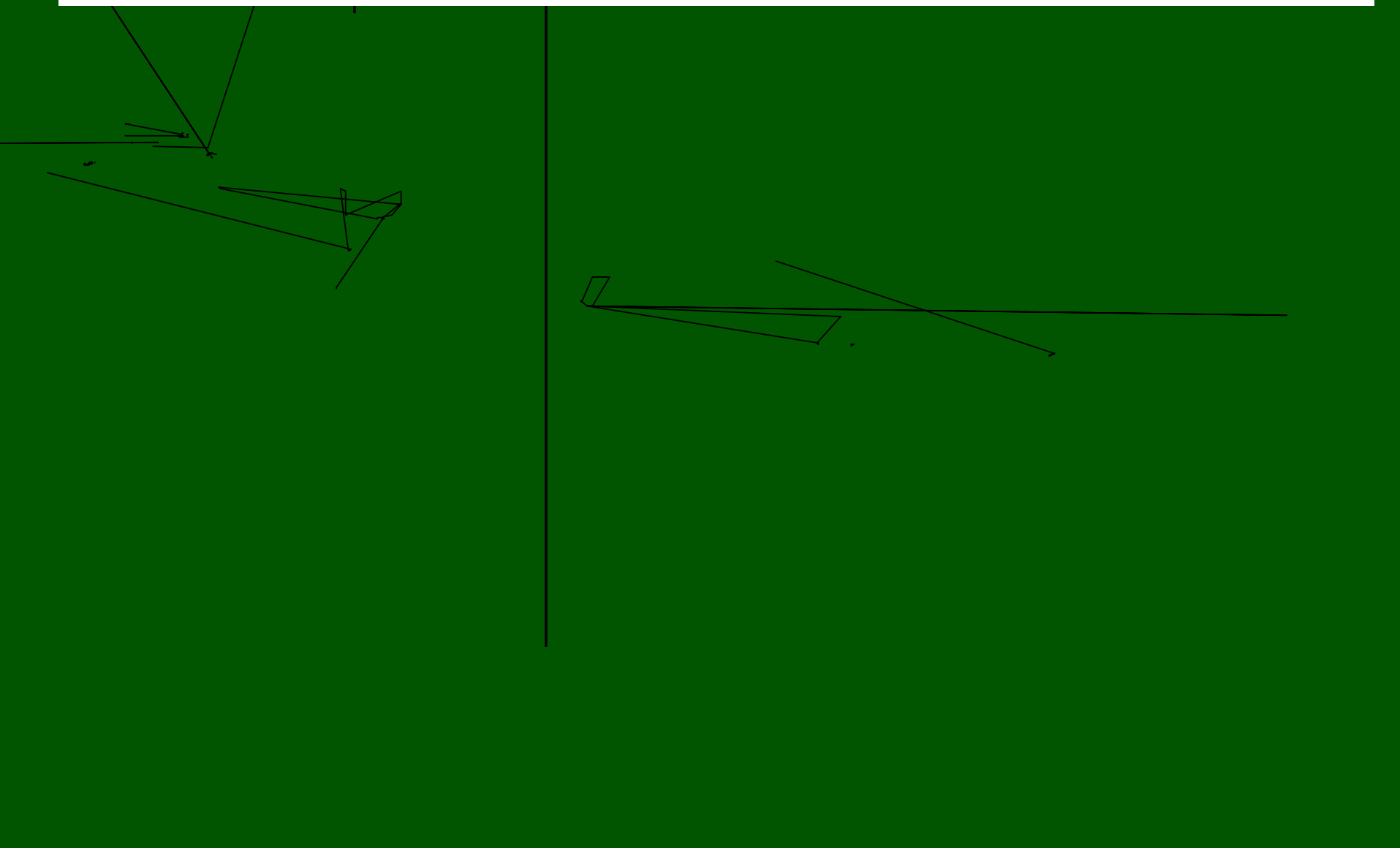
Global hubs of technological innovation



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Some European countries, and especially the Caribbean and Africa, face significant emigration rates of their elites (sometimes exceeding 50%) Source: OECD, Trends in International Migrations 2004



Globalization

"The bulls eye"

Knowledge societies – increased demand

Fiscal austerity – budget constraints



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The challenge for universities in Denmark

funding of the triple helix

A -- teaching

B -- research

C -- knowledge transfer

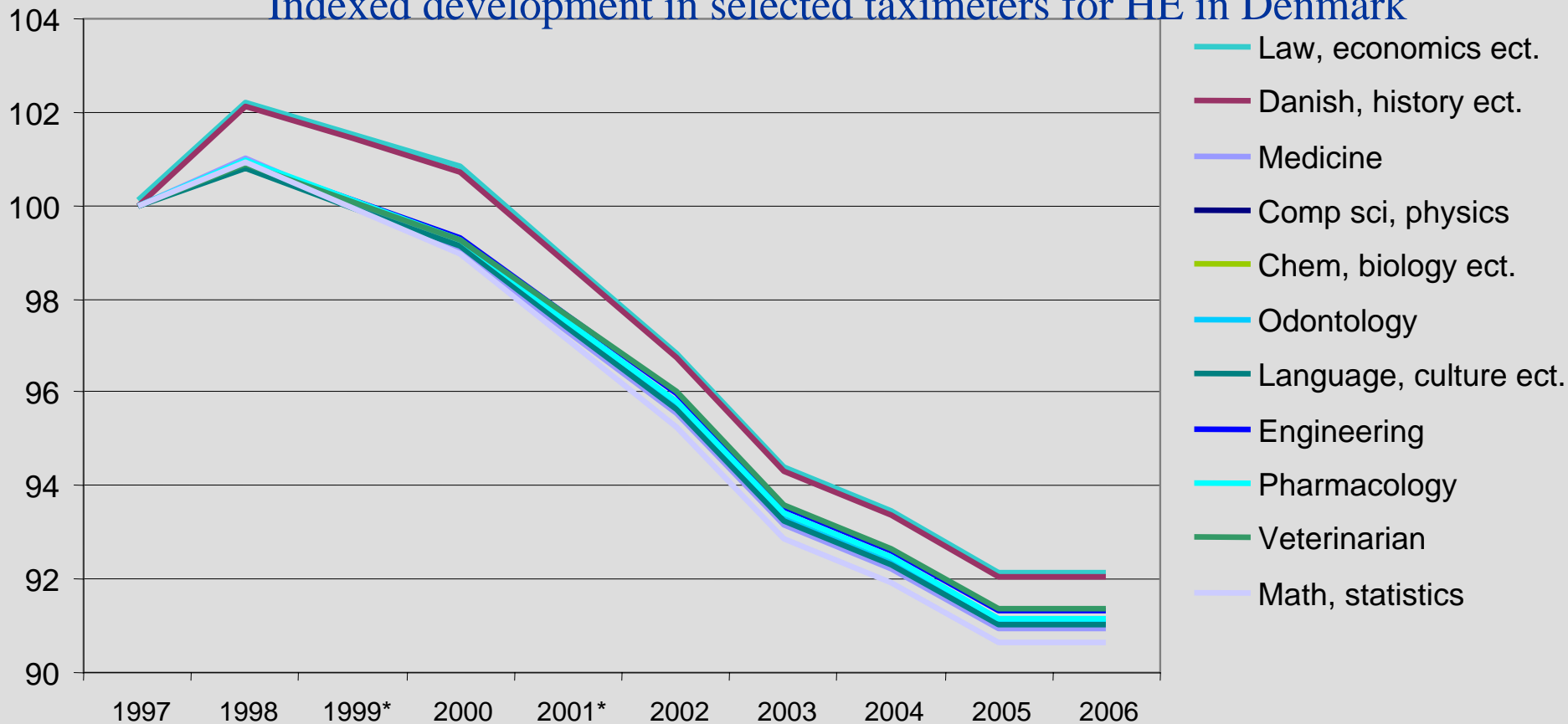


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Public funding of higher education (A)

Indexed development in selected taximeters for HE in Denmark



Source: FL95-03. *1999 and 2001 are calculated. 2004-2006 VTU information and includes graduation bonus. Deflated using net-price index

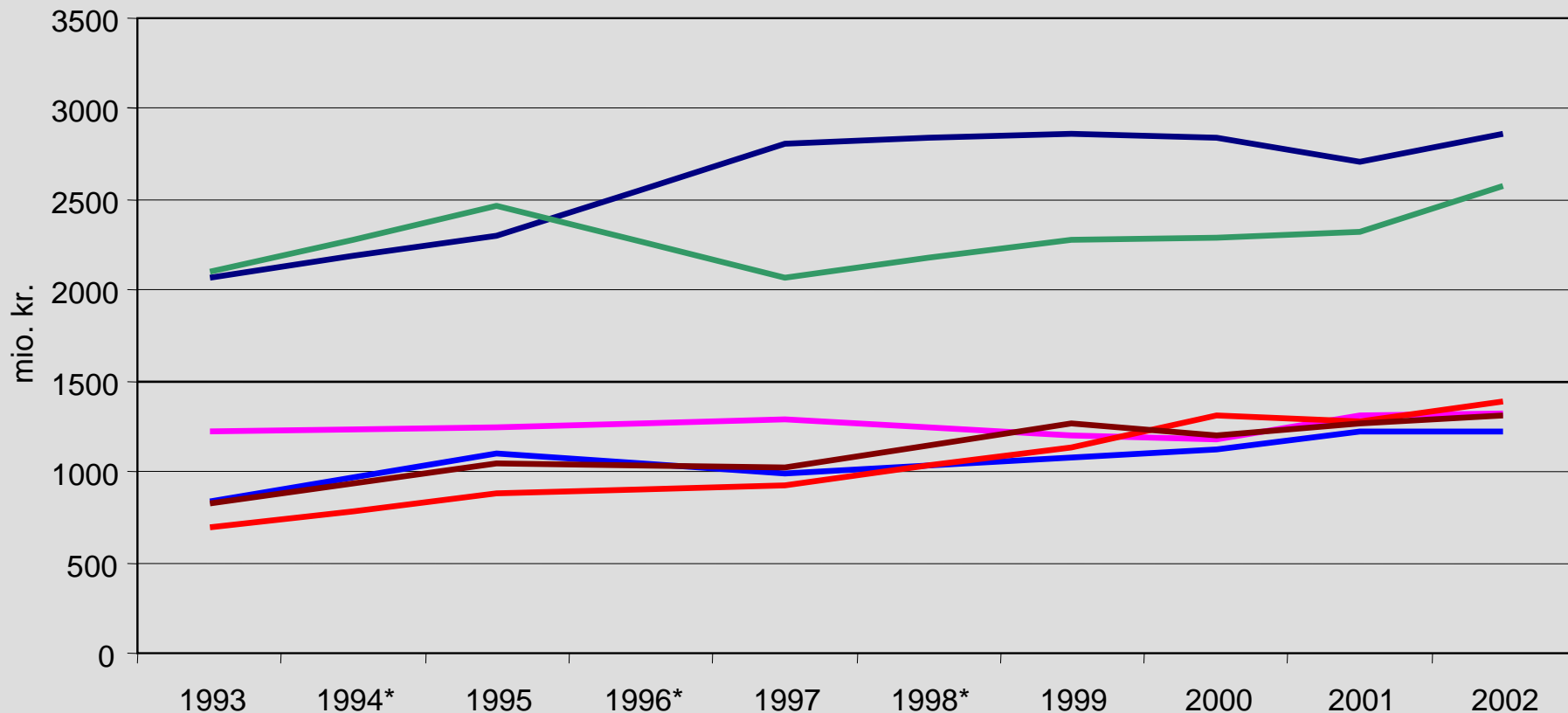


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Public funding of research (B)

Science Tech Health Agri and Vet Social Hum



Source: CFA 2002



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Financing knowledge transfer (C)

public and private funds for

- Stimulating demand (targetted incentives, insertion, matching)
- Meeting demand for pay (contract research, consultancies, grants to special projects)
- Organizing supply (TTO, external service units)
- Exploitation of intellectual property (University Press, legalizing IP)
- Public – private structural partnerships (foundations, science parks, incubators, project h



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The financial snapshot of University of Aarhus

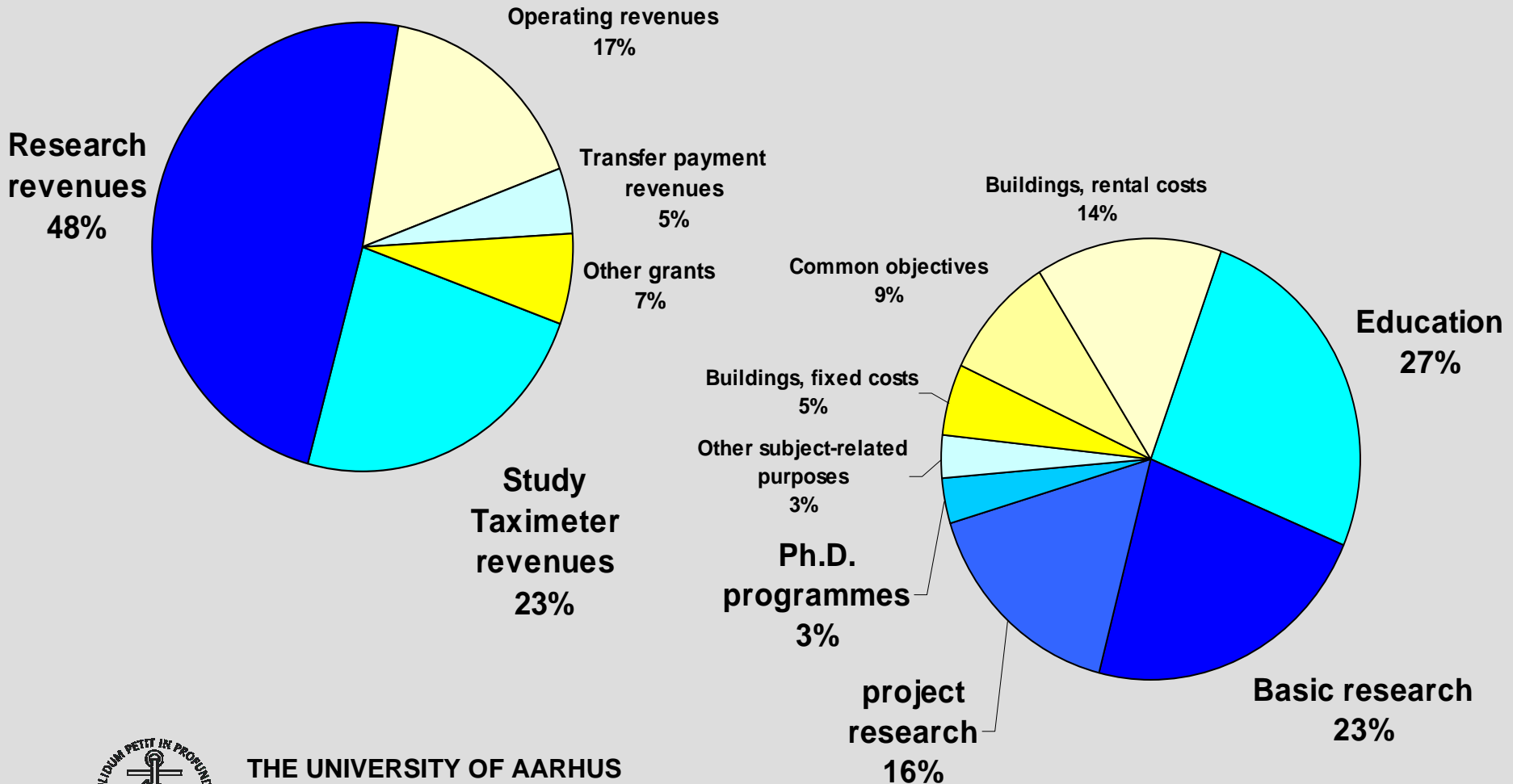


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Income and expenditures University of Aarhus

annual balance 0.5 billion Euro, 22000 st., 3000 fee st., 5000 staff, 350000sqm



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University of Aarhus Research Foundation

AUFF

- Rector of AU is chairman of AUFF
- Endowment 0.5 billion Euro
- Annual balance of business 0.9 billion Euro
- Annual research grants to AU research 10 million Euro
- Annual investment in AU real estate 10 million Euro
- Current annual direct and indirect support of AU activities approx 6%



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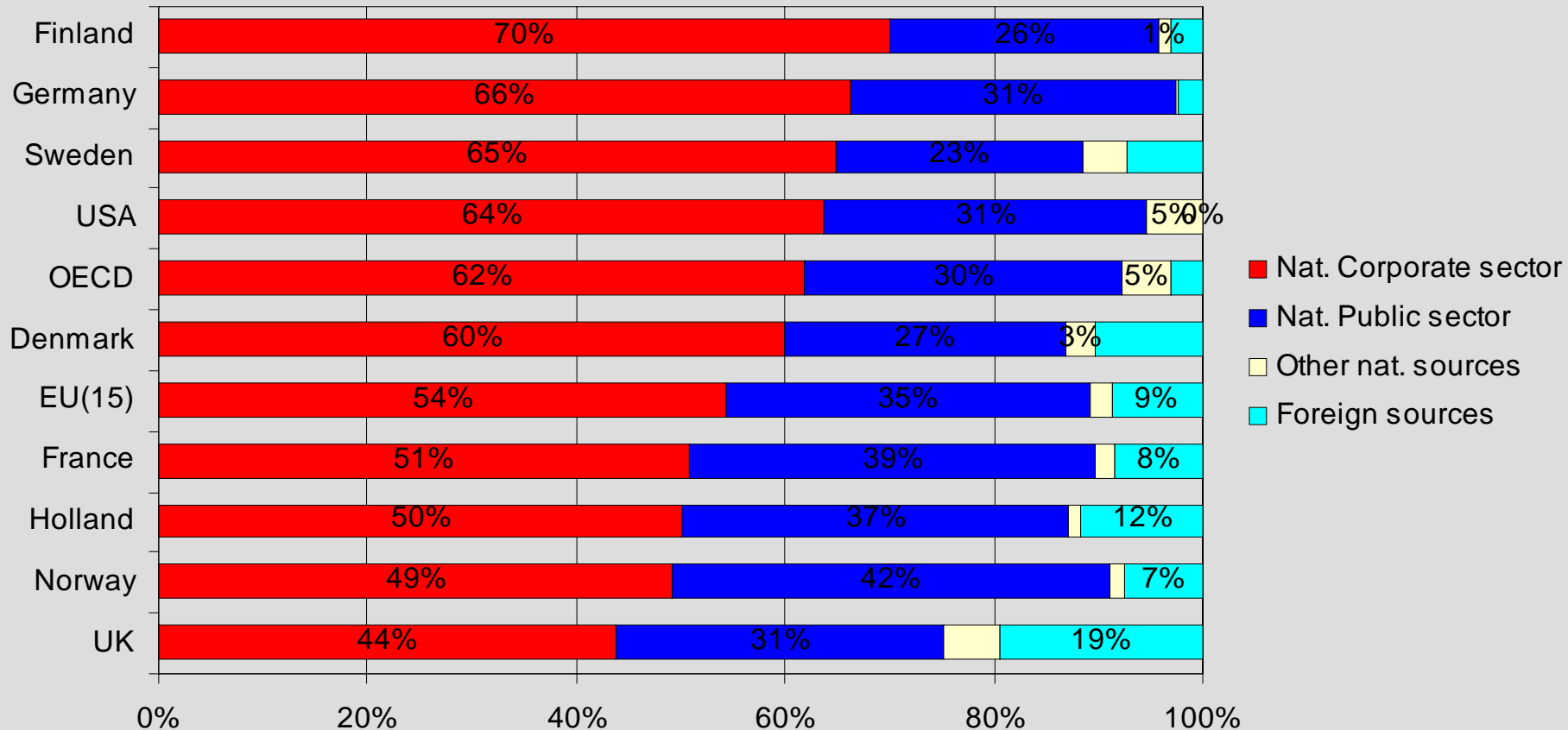
Globalization, "Barcelona 2010", and the universities - where do we stand



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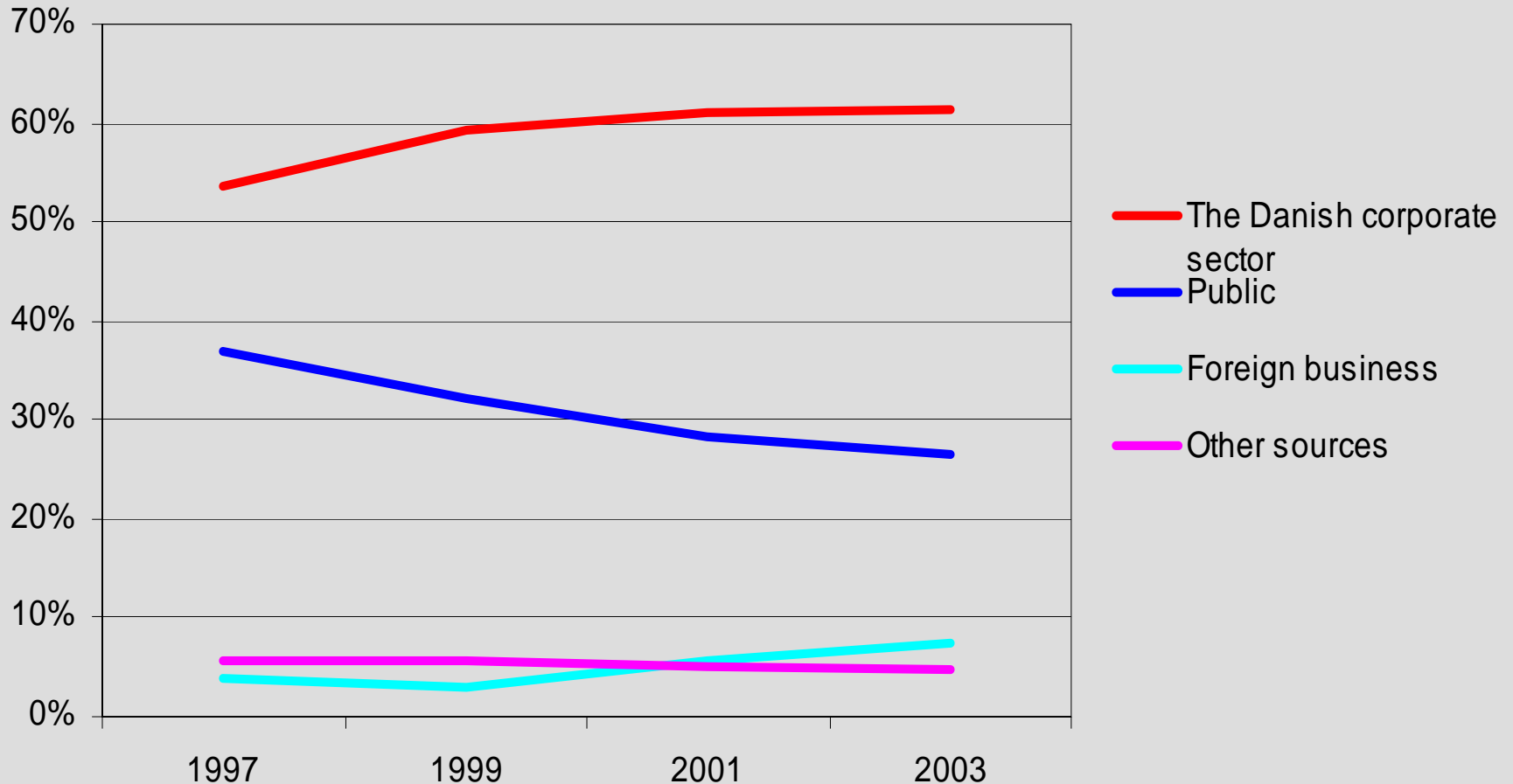
Research funding by sector - 2003



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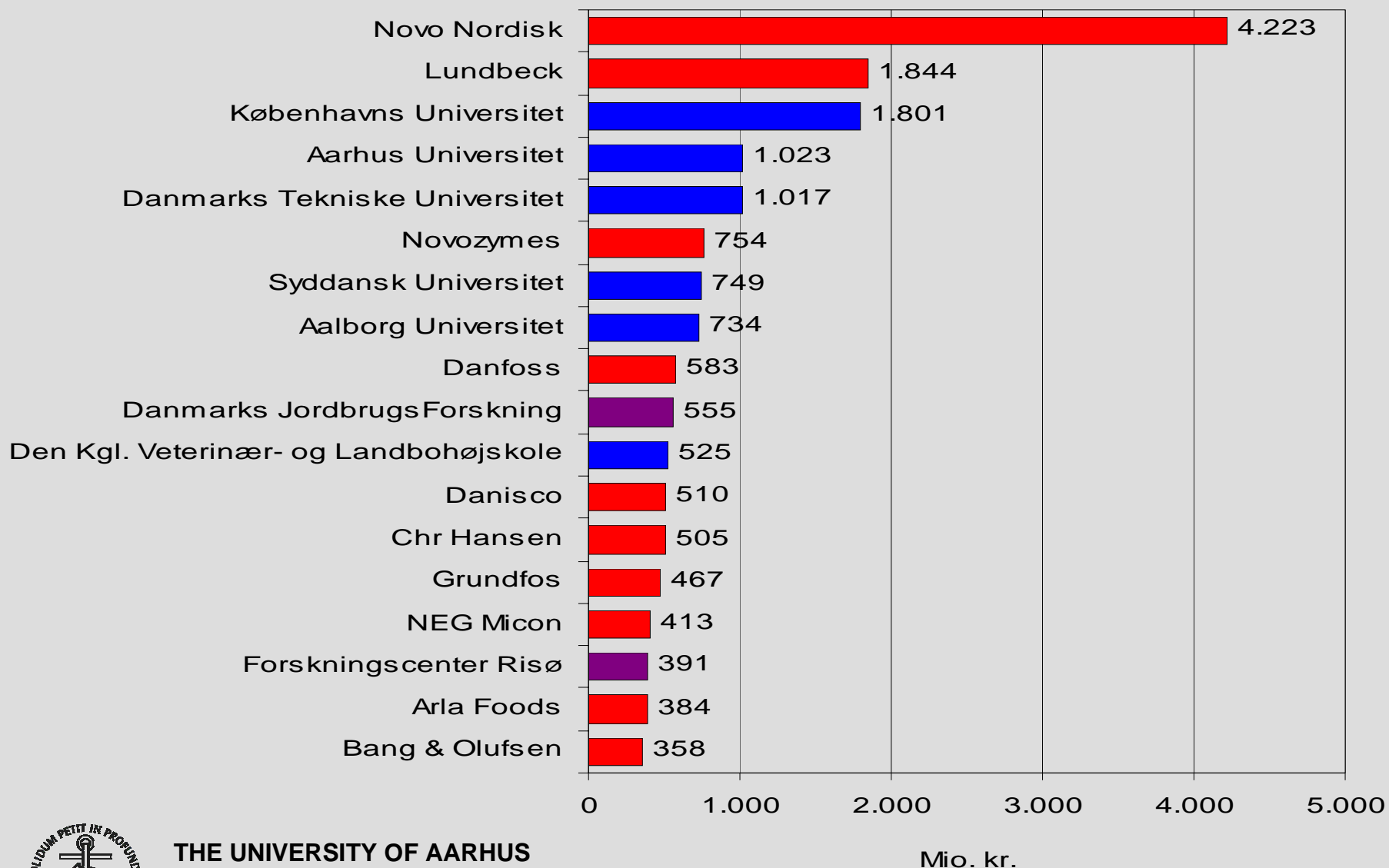
Financing research in Denmark



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The largest research enterprises in 2003

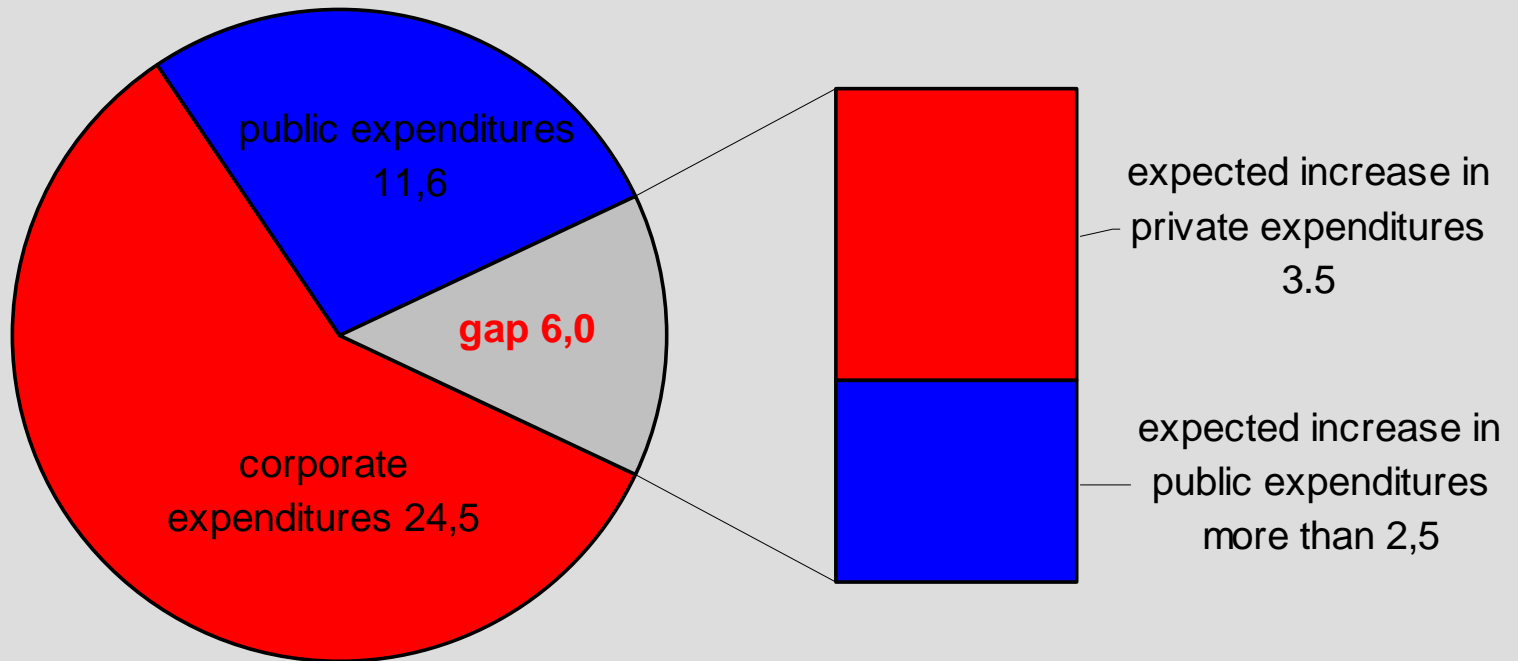


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Getting to Barcelona 2010

in Billion DKK



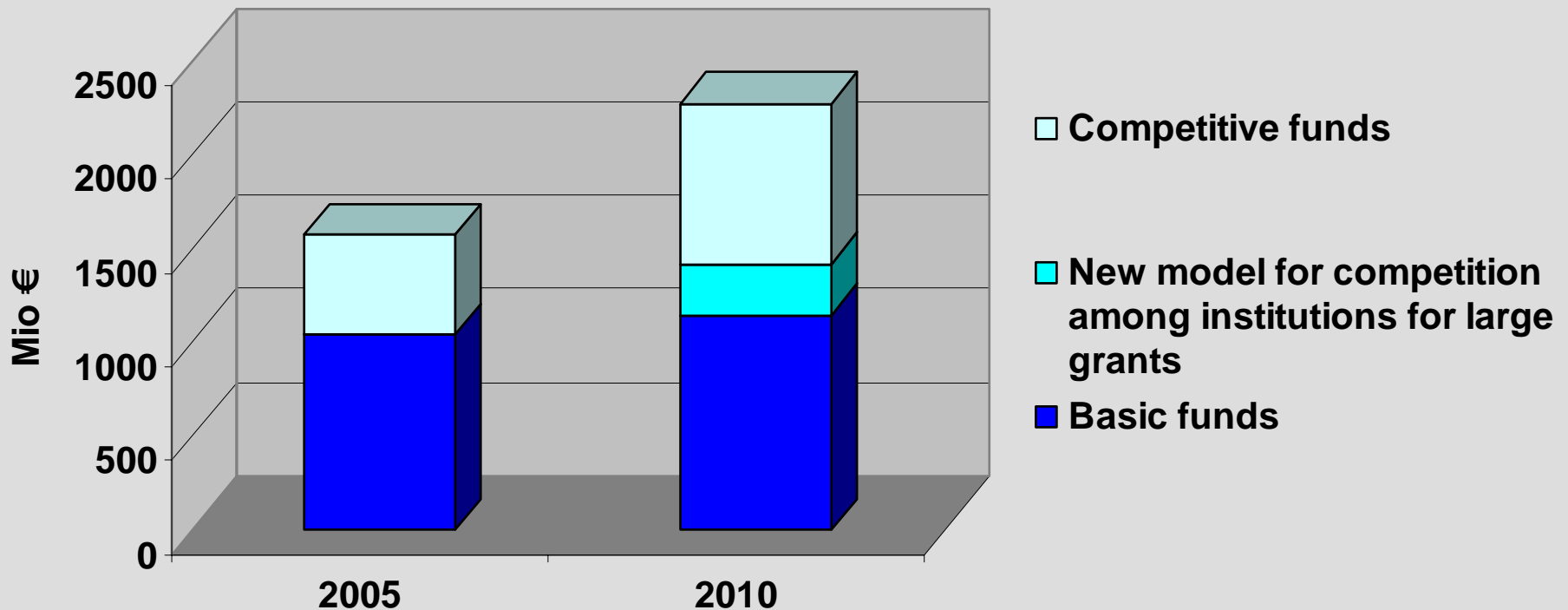
(3 % of GDP = 42,1 billion. D.kr.)



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New model for public research funding



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.....and how to get there



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New funding compact for universities

- Public funding for teaching follows productivity (quality and quantity- new taximeter) - **A**
- Public funding for research, 50% direct, 50% in competition including overhead (60%) - **B**
- Funding of demand and supply in knowledge transfer system (proof of concept, innovation, ventures...) – **C**

Each funding element needs to aim at full cost financing and at large, multi-year grants or contracts





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