

Proposed 15 January 2003 by the
Minister for Science, Technology and Innovation (Helge Sander)

Bill
for
Act on Universities (the University Act)

Part 1

Scope

1. -(1) This Act applies to universities under the Ministry for Science, Technology and Innovation.

(2) The universities are self-governing bodies under the public administration and supervised by the Minister for Science, Technology and Innovation.

Purpose

2. -(1) The university shall conduct research and offer research-based educations to the highest international level within the disciplines covered by the university. The university shall ensure a balanced relationship between research and education, make regular strategic selection, prioritise and develop the disciplines it covers in relation to research and education and disseminate knowledge of scientific methods and results.

(2) The university has freedom of research and must guard this freedom and the ethics of science.

(3) The university shall collaborate with society and contribute to the development of international collaboration. The university's scientific and educational results are to contribute to further growth, welfare and development of society. As a central knowledge-based and cultural body, the university shall exchange know-how and competences with society and encourage its employees to take part in the public debate.

(4) The university shall contribute to ensuring that the most recent know-how within relevant disciplines is made available to higher education without research.

Part 2

Educations

3. -(1) The university is free to decide which research-based educations it wants to offer within its academic scope. Pursuant to Section 4 (1 (articles 1 and 2)) and Section 5 (1) of this Act, the educations offered by the university shall be subject to the approval of the Minister for Science, Technology and Development.

(2) The Minister may revoke the approval of an education offered pursuant to subsection 1, if it is no longer necessary that the university offers the education concerned, or if the education no longer lives up to the quality requirements applicable at all times to a research-based education.

(3) In special cases, the Minister may initiate an evaluation of one or more educations.

4. –(1) The university may offer the following research-based full-time educations as independent educational programs in their own right:

- 1) Bachelor degree of 180 ECTS points.
- 2) Master's degree (candidatus) of 120 ECTS points.
- 3) Ph.D. degree of 180 ECTS points.

(2) 60 ECTS points are equivalent to 12 months' full-time studies.

(3) As an exception, the Minister may deviate from the points listed in subsection 1, under special circumstances.

(4) The Minister may determine maximum thresholds limiting the student intake.

5. –(1) As part-time educations, the university may offer the following research-based educations:

- 1) Master's degree
- 2) Other continuing education
- 3) Supplementary educational activities in order to meet the admission requirements of an education for a degree at the level of master

(2) As part-time educations a university may also offer all the full-time educations that it is approved to offer, single subjects from these educations and subject-specific courses.

6. –(1) Within its academic scope, a university may award the degrees of bachelor, master (candidatus) and Ph.D. and the higher doctoral degree. In addition to the degree of master (candidatus), the university may award the degree of master based on postgraduate studies. Only universities may award the higher doctoral degree.

(2) The university charter lays down the university's own rules governing the award of a doctoral degree.

7. Subject to the approval of other ministers, the university may offer educations in accordance with rules laid down by the minister concerned.

8. The Minister lays down general rules governing education, this includes external examination and quality development, cf. Sections 4 and 5, on the titles connected to the educations, and cf. section 6 on admission requirements.

9. During the studies, the university shall offer to provide the students with guidance on education-specific issues and the subsequent job opportunities.

Part 3

Governance Regulations Board

10. –(1) The Board is the superior authority of the university. The Board shall safeguard the university's interests as a centre for education and research and determine guidelines for its organisation, long-term activities and development.

(2) To the widest possible extent, the Board shall be open about its activities.

(3) The Board shall administer the university funds to ensure that they benefit the university purpose as far as possible.

(4) The Chairman of the Board shall administer the real estate together with a member of the Board.

(5) On Rector's recommendation the Board approves the university budget; this includes distribution of the total resources and the principles of the use of these resources, and it approves the accounts.

(6) The Board sets up the university charter and amendments. These shall be subject to the Minister's approval.

(7) The Board employs and dismisses Rector and dismisses on Rector's recommendation the university executive management.

(8) The Board concludes a development contract with the Minister.

(9) The Board has no powers in individual cases relative to other employees of the university, cf. subsection 7, or relative to students.

(10) The charter shall lay down further details concerning the openness of the Board activities, cf. subsection 2. The charter shall also lay down details concerning the procedures for employment and dismissal, pursuant to subsection 7 of the charter. The employment procedure shall ensure that Rector has professional and managerial legitimacy.

11. –(1) The Board shall answer to the Minister for the activities of the university; this includes administration of the aggregate university resources.

(2) If the Board disregards instructions from the Minister concerning confirmation of unlawful matters, the Minister may order the Board to resign so that a new board can be set up.

(3) If the Board's actions jeopardise the continued activities of the university, the Minister may order the Board to resign, and in this connection he may install an interim governing board, until a new Board has been appointed.

(4) The Board or the Minister may decide to bring an action against members of the Board, Rector, any auditors or others if the university has suffered any losses.

(5) The Board is authorised to take out a standard directors' liability insurance.

12. –(1) The Board shall be composed of external members and members representing the scientific staff of the university, which includes contracted Ph.D. students, the technical and administrative staff and the students. The Board shall comprise a majority of external members. The Board shall elect a chairman among its external members.

(2) Together the members of the Board shall use their experience and know-how of education, research and dissemination and exchange of knowledge to contribute to promoting the university's strategic work.

(3) The external members are selected on the merit of their personal qualifications and appointed for a period of four years. They may be re-appointed to serve one more period. In addition, the external members shall be experienced in management, organisation and economy; this includes evaluation of budgets and accounts.

(4) The other members shall be elected by and from the scientific staff of the university, which includes contracted Ph.D. students, the technical and administrative staff and the students. The students shall have not less than two members.

(5) The charter shall lay down further details concerning setting up the Board pursuant to subsections 1 to 4.

13. –(1) The university may set up a representative assembly to be composed by external members.

(2) The representative assembly shall conduct general discussions on the research, educational and other activities of the university and issue statements on these issues to the Board.

(3) The charter shall lay down further details concerning the representative assembly pursuant to subsections 1 and 2. The charter may also stipulate that the representative assembly appoints some or all of the external members of the Board.

Rector

14. –(1) Rector shall undertake the day-to-day management of the university within the framework laid down by the Board. The other members of the executive university management, heads of faculty, heads of department and study programme directors, shall undertake their duties in a manner authorised by Rector, cf. section 16(1) and (3-7), section 17(2) and (4) and section 18(5).

(2) Rector shall be an acknowledged researcher within one of the university disciplines with knowledge of the educational sector. Rector shall be an experienced manager and organiser of research environments with knowledge of university activities and relationship with society.

(3) Rector recommends to the Board the other members of the executive management for employment and dismissal, cf. section 10(7).

(4) Rector employs and dismisses Heads of Faculty if the university is split up into main areas.

(5) Rector recommends the budget to the Board and approves the accounts.

(6) Rector lays down the rules governing disciplinary actions against students.

(7) Rector is authorised to sign on behalf of the university in all matters except for such matters as concerns real estate, cf. section 10(4), and determines all issues, except cf. section 10(1) and (5-8), section 15(2) and section 18(4) and (6).

(8) Rector shall approve all external relations with a binding effect on the university.

(9) Under special circumstances may Rector dissolve the academy council, cf. section 15(1). Rector can also under special circumstances assume the tasks of the academy council, cf. 15(2).

(10) The charter shall lay down further details concerning the procedures of employment and dismissal pursuant to subsection 4. The employment procedure shall ensure that Heads of Faculty possess professional and managerial legitimacy.

Academy Council

15. –(1) The university shall set up an academy council either for the entire university or an academy council for each of the main areas.

(2) The Academy Council shall have the following tasks:

- 1) Make statements to Rector on the internal distribution of funds.
- 2) Make statements to Rector on central strategic research questions and educational issues and plans for knowledge exchange.
- 3) Make recommendations to Rector on the composition of academic committees to assess applicants for scientific positions.
- 4) Award the Ph.D. degree and the higher doctoral degree.

(3) The Academy Council may make statements on all scientific issues of substantial relevance to the activities of the university and has a duty to discuss scientific issues presented to them by Rector.

(4) The Academy Council shall be composed of Rector, ex officio chairman, except for subsection 5, and of members representing the scientific staff, including contracted Ph.D. students and the students. Representatives for the scientific staff, including contracted Ph.D. students, and for the students shall be elected by and from the scientific staff, including contracted Ph.D. students and the students.

(5) If several academy councils are set up, the head of each of the main areas shall be ex officio chairman of the academy council of that area.

(6) The charter shall lay down further details concerning setting up an academy council pursuant to subsections 1 and 4.

Head of Faculty

16. –(1) The Head of Faculty shall manage the main area, ensure correlation between research and education and quality of education and teaching as well as cross-disciplinary development of the quality of the education and research of the main area.

- (2) The Head of Faculty shall be an acknowledged researcher with experience and knowledge of teaching, management and the interaction of a university with society.
- (3) The Head of Faculty employs and dismisses the head(s) of department.
- (4) The Head of Faculty sets up Study Boards and approves the chairmen and deputy chairmen of the Study Boards.
- (5) The Head of Faculty appoints and removes heads of department subject to the recommendation of the Study Board set up pursuant to subsection 4.
- (6) The Head of Faculty approves curricula subject to proposals from the Study Board.
- (7) In special cases, the Head of Faculty can dissolve a Study Board set up pursuant to subsection 4. Also in special cases, the Head of Faculty may take over the tasks of the Study Board, in such cases deviating from section 18 (4) and (6).
- (8) If a Head of Faculty is not employed, Rector or a person authorised by Rector shall see to the Head of Faculty's tasks.
- (9) The charter shall lay down further details concerning employment and dismissals pursuant to subsection 3. The employment procedure shall ensure that heads of department possess professional and managerial legitimacy. The charter shall also lay down further details concerning appointment and removal pursuant to subsection 5.

Departments and Heads of Department

17. –(1) The departments undertake research and educational activities.
- (2) The Head of Department shall undertake the day-to-day management of the department, which includes planning and allocation of tasks. The Head of Department may allocate specific jobs to specific employees. Scientific employees are free to conduct research within the strategic framework laid down by the university for its research activities to the extent they are not requested to address jobs allocated to them by the Head of Department.
- (3) The Head of Department shall be an acknowledged researcher experienced with teaching.
- (4) The Head of Department shall ensure the quality and correlation between the research and education of the department, and in consultancy with the Study Board and the study programme director the Head of Department shall follow-up on evaluations of the education and teaching.

Study Board and Study Programme Director

18. –(1) To safeguard student influence on education and teaching, the Head of Faculty shall set up the necessary number of Study Boards, cf. section 16(4).
- (2) Each Study Board shall comprise equal numbers of representatives for the scientific staff and the students selected by and from the scientific staff and the student respectively.
- (3) Among themselves, the Study Board selects a chairman from the scientific staff and a deputy chairman from the students.

(4) The Study Board recommends the Study Programme Director to the Head of Department, cf. section 16(5).

(5) In co-operation with the Study Board the Study Programme Director shall undertake the practical organisation of the educational activities and of tests and other assessments forming part of the exams.

(6) The Study Board shall ensure the organisation, realisation and development of education and teaching activities, which include:

- 1) Assure and develop the quality of the education and teaching and see to follow-up on evaluations of the education and the teaching.
- 2) Produce proposals for the curricula and changes thereof.
- 3) Approve the organisation of the teaching and of tests and other assessment forming part of the exams.
- 4) Treat applications for merit and exemptions.
- 5) Make statements on all matters of importance to the education and teaching within his/her area and discuss issues related to education and teaching as presented by Rector or the person authorised by Rector to do so.

(7) The charter shall lay down further details concerning setting up a Study Board, including election of chairman and deputy chairman and recommendation for Study Programme Director, pursuant to subsections (1-4), and tasks, pursuant to subsections (5) and (6).

(8) In the charter the Board may determine to set up Study Boards at different levels of the organisation.

(9) In the charter the Board may lay down special rules to govern educations at the level of master (candidatus) and can deviate from the governance regulations as specified in this Part.

Part 4

Economic Matters

19. –(1) The Minister shall subsidise the university's educational, research and dissemination activities and other tasks allocated to the university. Subsidies to educational activities shall be awarded based on rates, as specified in the annual Budgets, and the number of full-time equivalent students and any finalised studies. The annual Budgets specify the framework governing subsidies to research and dissemination activities and other activities allocated to the university.

(2) Subsidies to university tasks as specified in subsection 1 shall also comprise contributions to cover indirect university expenses, this includes management, administration, buildings etc.

(3) Subject to negotiations with the Minister of Finance, the Minister may specify rules governing subsidies to the university activities, pursuant to subsections (1) and (2), payment of subsidies to the universities, this includes payment in advance, and aspects concerning budgets and appropriations relative to the universities.

(4) The Minister may lay down rules governing which students will produce subsidies pursuant to subsection (1), and how to estimate the number of full-time equivalent students.

(5) The Minister may request information from the university for budgetary and statistical purposes and lay down requirements to the administrative structure of the studies.

20. –(1) Other ministers can subsidise the university.

(2) The university may accept subsidies and gifts from a third party besides the appropriation acts.

(3) The university may make money on activities they offer and run subsidised activities.

21. –(1) Within its scope, the university has at its free disposal subsidies, income and capital as a whole. It is a condition that the university complies with the conditions for the subsidies and the rules of management and undertakes the tasks subsidised pursuant to Sections 19 and 20.

(2) The university may accumulate subsidies to be spent within the university purpose in the following financial year.

(3) The university shall deposit its cash funds in compliance with the Order issued by the Ministry of Justice on the depositing of the money of foundations and board fees etc.

22. –(1) To a reasonable extent the university shall pay for and make facilities available to activities related to student politics.

(2) To a limited extent the university may pay for and make facilities available to other student activities.

(3) The university may pay for an accident insurance for students enrolled at the university.

23. The Minister shall reimburse, on a quarterly basis and against due documentation, the university's expenses for payment of duties under the VAT act which pursuant to the VAT act are not deductible from the statement of tax liabilities (non-deductible input VAT) of an enterprise and which the university incurs to procure goods and services that are subsidised pursuant to sections 19 and 20.

24. –(1) The Minister may retain subsidies, cancel subsidies fully or in part or request full or part repayment if the university does not comply with the conditions for the subsidies and the rules of management.

(2) The Minister may retain subsidies, cancel subsidies fully or in part or request full or part repayment if a petition in bankruptcy is filed against the university, if the university suspends its payments, or if there is a risk that the university may stop its activities due to other factors.

(3) The Minister may request repayment of subsidies if the calculation of the subsidies rests on an incorrect basis or if the calculation of the subsidies as such was incorrect.

(4) The Minister has the same powers, pursuant to subsections (1-3), on behalf of other ministers.

(5) Claims for repayment pursuant to subsections (1-4) and expenses paid for the university pursuant to section 31(2) and section 42(1), can be set off against future subsidies.

25. The Minister may grant loans to various institutional purposes, this includes purchase of equipment. The Minister may specify the terms and conditions of such loans.

Student Fees

26. –(1) The university shall request part payment for participation in educational activities and tests and other assessments forming part of the exam for part-time educations partially subsidised pursuant to section 19(1) and section 20(1).

(2) The university may request full payment for participation in educational activities and tests and other assessments forming part of the exam for part-time educations not subsidised pursuant to section 19(1) and (4) and section 20(1).

(3) The university shall request full payment from private students for their participation in tests and other assessments forming part of the exam.

(4) The university shall set up a basis of calculating student fees. Together with any subsidies the student fees may not exceed the costs incurred. The Minister may specify further details on how to set up the basis for determining student fees.

27. The university may request that Ph.D. students, whose education is funded by external sources, pay in full for their participation in educational activities and in tests and other assessments forming part of the exam.

Accounts and Audits

28. –(1) The university shall comply with the legislation governing the accounting of the state.

(2) The accounts shall be prepared as specified by the Minister.

(3) The university accounting year is the financial year. At the conclusion of the accounting year, the university prepares annual accounts comprising a profit and loss account, balance and a list of capital equipment. The Board and Rector shall sign the accounts, cf. section 10(5) and section 14(5).

(4) The university accounts shall be audited by an Auditor General as provided by the legislation governing audits of the accounts of the state etc.

(5) The Auditor General and the Minister may arrange that audits pursuant to subsection (4) are undertaken jointly by the Auditor General and an accountant as agreed upon. A state-authorized or registered accountant shall conduct such audits.

Staff

29. –(1) The university shall follow the rules on wage and employment conditions, including pensions, as laid down by or agreed with the Minister of Finance for staff employed by the

university. The university shall also follow the rules on special remunerations as laid down by or agreed with the Minister of Finance.

(2) The duty to give evidence as laid down in the act on public servants shall apply to members of the Board.

(3) The Minister may lay down rules on employment of scientific staff and teachers.

(4) Powers that the Minister of Finance pursuant to subsection (1) has delegated to the Minister may be delegated to the universities by the latter.

Building Matters etc.

30. –(1) Universities that change into self-governing universities under this Act shall comply with the scheme laid down for the administration of the buildings of the state.

(2) The Minister is authorised to transfer state-owned buildings, furniture and other movables to the university upon the university's request.

(3) The conditions that are specified for transfers pursuant to subsection (2) shall be subject to the approval of the authorities empowered to perform such transfers.

(4) After negotiations with the Minister of Finance and the Minister of Economic and Business Affairs, the Minister may lay down rules concerning the university's construction activities and building matters as such concerning buildings that the university possesses or has taken over.

(5) The university may take out a general insurance covering the buildings that the university possesses or has taken over.

Part 5

Changes in the Status of the University

31. –(1) For collaboration activities between universities or between universities and other educational bodies or research bodies, the Minister may approve exceptions from applicable legislation and lay down special rules governing such collaboration as recommended by the affected bodies. For bodies that are not under the Minister for Science, Technology and Innovation, such approvals shall take place after negotiations with the minister concerned. The same shall apply to mergers between universities or mergers between universities and other research bodies.

(2) For approvals of collaboration activities pursuant to subsection (1), the Minister may decide – as regards collaboration between universities and state-run research bodies – that money paid by the state to a third party on behalf of the university, pursuant to section 24(5), shall be set off against the university's subsidies, pursuant to section 19(1) and section 20(1).

32. –(1) Should the Board abolish the university, the net assets of the university shall be transferred to the state, apart from section 38(8). A decision to abolish shall be approved by the Minister.

(2) Present granted to the university shall be transferred to the state, unless otherwise provided by generally applicable Danish legislation, cf. Section 38(8) however.

33. The Minister may lay down special rules governing universities or parts thereof that assume special tasks or where special circumstances speak in favour of it.

Part 6

Miscellaneous Provisions

34. –(1) Legal questions relating to the university's decisions on student matters may be brought before the Minister in accordance with the rules laid down by said Minister.

(2) The minister may determine that others may submit complaints to the Minister on legal questions relating to the decisions of the university.

35. Upon the university's application the Minister may approve that foundations and associations contribute to the university's research-based educations if the employment procedures of these foundations and associations are not contrary to the employment procedures of the state.

36. In exceptional cases and to a limited extent the Minister may approve deviations from the governance regulations of the law, cf. Part 3, as proposed by the university.

Part 7

Interim Provisions and Entry into Force

37. –(1) This Act enters into force on 1 July 2003.

(2) The Senate assumes the tasks that are the responsibility of the Board until a Board has been set up; section 10 also applies to the work of the Senate in the same way as it does to the work of the Board. During this period, rector and the university director shall be empowered to make the necessary arrangements concerning real estate, cf. section 10(4). However, only the Senate may make the decisions necessary to continue the activities of the university.

(3) At the time when this Act enters into force, the people elected as Rector, Heads of Faculty and Heads of Department may continue in their positions with the powers vested in them according to the law for the duration of this election period, unless the charter specifies a different election period, and after that until the Board has employed a Rector, as specified in the charter, and Rector has employed Heads of Faculty, as specified in the charter, and the Heads of Faculty have employed Heads of Department, as specified in the charter and as authorised by rector.

(4) At the time when this Act enters into force, the people elected as chairmen and deputy chairmen of the Study Boards may continue in their positions for the duration of this election period, unless the charter specifies a different election period, and after that until new Study Boards have been set up, and chairmen and deputy chairmen of the study boards have been elected and approved by the Heads of Faculty as laid down in the charter.

(5) The rules on removal of elected leaders (rector, heads of faculty and heads of department) applicable until now shall apply during the period until new leaders have been employed or appointed in accordance with the charter.

(6) The present members elected to collegiate bodies shall continue for the duration of this election period unless the charter specifies a different election period, and after that until new bodies have been set up in accordance with the charter and new members have been elected. The collegiate bodies, cf. subsection (2) however, maintain the powers that have been vested in them until now to the extent these powers have not been transferred to others according to this Act.

(7) The Senate lays down in a special clause of the charter, subject to the Minister's approval, the procedure to follow when setting up the first Board. This clause shall also specify replacement of both leaders (rector, heads of faculty and heads of department) and members elected to the collegiate bodies that resign during the interim period. This special clause shall be submitted to the Minister's approval not later than 1 January 2004.

(8) The Board shall be set up by 1 January 2005 at the latest. The Minister shall approve the composition of the first Board.

(9) The university charter shall be submitted for the Minister's approval by 1 May 2005 at the latest.

38. –(1) The Advisory Councils and the Senates of Copenhagen Business School and the Aarhus School of Business are abolished simultaneously with setting up a Board, although not later than 1 January 2005. Simultaneously with the abolishment of the Advisory Council of Copenhagen Business School, the charter of 18 November 1995 for Copenhagen Business School is revoked.

(2) The Advisory Council of Copenhagen Business School undertakes the tasks that are specified in Order no. 340 of 21 June 1974 issued by the Ministry for Education on the administration of Copenhagen Business School, and the Advisory Council of the Aarhus School of Business undertakes the tasks as specified in the charter of 8 March 2000 for the Aarhus School of Business and that are allocated to the Boards in this Act until the Boards have been set up.

(3) Until 1 January 2005, the Minister may cancel the appointment of the Advisory Councils if these bodies do not comply with injunctions to set unlawful matters right, or if these bodies jeopardise the continued existence of the university through their arrangements, cf. section 11 (2) and (3).

(4) Having enquired the Senate of the schools, the Advisory Councils of Copenhagen Business School and the Aarhus School of Business lay down a special clause on the procedure for setting up the first Boards whose composition shall be approved by the Minister. This clause shall also specify replacement of both leaders (rector, heads of faculty and heads of department) and members elected to the collegiate bodies that resign during the interim period.

(5) The provisions laid down in section 37 (3-6) and (9) shall also apply to the business schools.

(6) Existing governmental loans granted to the business schools to erect, reconstruct or procure buildings and subsidies to furnish rented premises shall continue on the same terms.

(7) Also in future, only Copenhagen Business School and the Aarhus School of Business may use the Danish term "business school" (in Danish: "handelshøjskole").

(8) If either Copenhagen Business School or the Aarhus School of Business are abolished, and if the remaining assets are sufficient, the net assets of the business school as computed on 31 December 1990 and any gifts granted from 1 January 1991 to 30 June 2003 in the form of movables, real estate and grants for the construction of real estate, shall be used for the purposes specified in the charter applicable at all times. If there are any additional remaining assets, the net assets of the business school as computed on 30 June 2003 shall be used for teaching and educational purposes as specified by the Minister. The charter may lay down rules to compute the net assets.

39. –(1) After consultations with the boards of the Danish University of Education and the Technical University in Denmark, the Minister lays down the procedure to follow for the change-over of each university to this Act.

(2) After consultation with the board of the Danish University of Education, the Minister may abolish fully or in part Act no. 483 of 31 May 2000 on the Danish University of Education, and after consultation with the board of the Technical University of Denmark, the Minister may abolish fully or in part Act no. 1265 of 20 December 2000 on the change-over to a self-governing body by the Technical University of Denmark.

(3) The Danish University of Education adheres to the provisions set out in the act on the Danish University of Education until these provisions are abolished and replaced by the provisions of this Act. The Technical University of Denmark adheres to the provisions set out in the act on the Technical University of Denmark until these provisions are abolished and replaced by the provisions of this Act.

40. After negotiations with the Minister for Education, the Minister for Science, Technology and Innovation may approve the merger of the Skovskolen and the Royal Veterinary and Agricultural University.

41. –(1) When this Act enters into force, the IT-højskolen i København changes status from being a free faculty under Copenhagen Business School to a self-governing university, IT University of Copenhagen.

(2) After consultation with the board of the IT university, the Minister shall set up an interim arrangement.

42. –(1) Universities that pursuant to this Act change to subsidised funding take over the debts and obligations concluded with the state as debtor. However, the state places surety to guarantee the obligations that the universities have assumed up until the time of take-over.

(2) Universities under subsection (1) enter into the incorporeal rights of the universities at the entry into force of this Act.

(3) The Minister shall publish the date of taking over, pursuant to subsections (1) and (2) in the Statstidende.

43. –(1) For the universities that pursuant to this Act shall change over to subsidised funding, the intra-state/university accounts shall be computed.

(2) The university shall produce a final annual account in connection with the change-over to subsidised funding.

(3) The rules of appropriation applicable to Government institutions in force at the time when this Act enters into force shall apply to the university until the Minister issues more specific rules for subsidies pursuant to section 19(3).

(4) The rules of accounting applicable to universities in force at the time when this Act enters into force shall apply to the university until the Minister issues more specific rules for the university's accounting practices pursuant to section 28(2).

(5) The Minister shall determine the time of changing over to subsidised funding.

44. To universities that pursuant to this Act have changed over to a self-governing body, the Minister may assign gifts granted the former governmental institution.

45. –(1) Public servants employed at universities that pursuant to this Act change over to a self-governing body may choose to uphold their employment status as public servants for work performed at the university. Public servants are not entitled to receive compensation during temporary unemployment, allowance pay or pension as a result of the university's change-over to a self-governing body and are under an obligation to submit to the changes to the extent and form of their services resulting from this change-over.

(2) The university shall pay the wages and pension contributions to the Treasury for such public servants, this includes any expenses for compensation during temporary unemployment, allowance pay and money payable after death. Expenses for current pensions shall be borne by the state. If the university is abolished, any expenses for compensation during temporary unemployment or allowance pay and money payable after the death of a public servant of the university shall be paid by the Treasury if the abolished university does not have sufficient funds to cover these expenses.

(3) Rector shall make any decisions regarding suspensions, initiation of an official examination of the work of a public servant, appointment of a leader of an examination, impose disciplinary punishment and bring actions for slander pursuant to the rules laid down in the act on public servants.

(4) The Minister shall make any decisions pursuant to subsection (3) as regards Rector and the executive management of the university until the Board has been set up, following that the Board shall assume these rights.

46. Arrangements concluded by the university, pursuant to section 10(2) of the University Act applicable so far, may continue until 1 July 2005, pursuant to section 47(1) article 1.

47. –(1) The following acts and regulations are hereby repealed:

1. Act on universities etc. (the University Act), cf. Order no. 1177 of 22 December 1999 on universities etc. (the University Act).
2. Act on business schools and business school departments, cf. Order no. 864 of 27 September 1996 on business schools and business school departments.

(2) Rules laid down under the provisions of acts referred to in subsection (1) and section 39(2) shall remain in force until repealed or replaced by rules laid down under the provisions of this Act.