

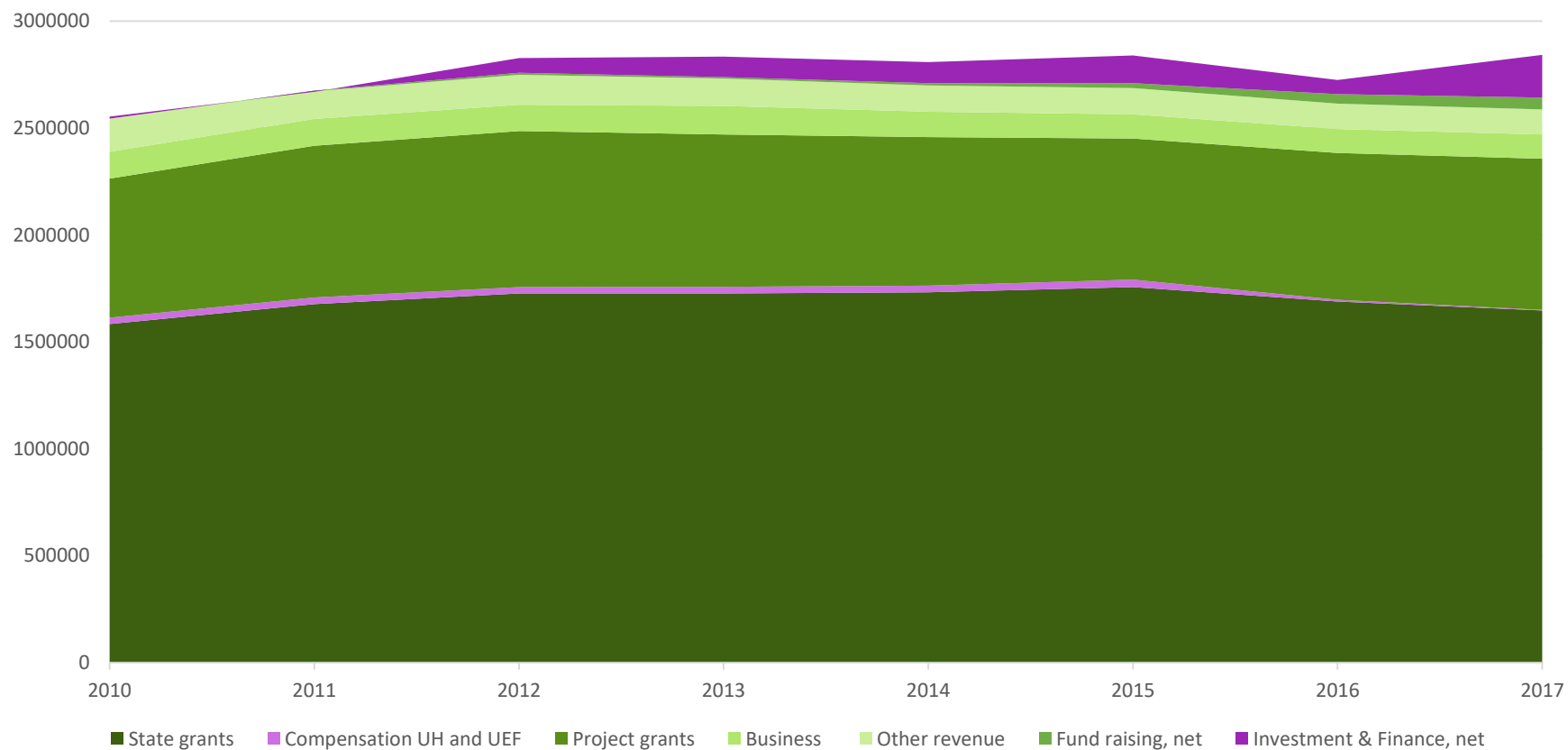
# Funding of Finnish Universities 2010 - 2017

## What does their Financial Performance look like?

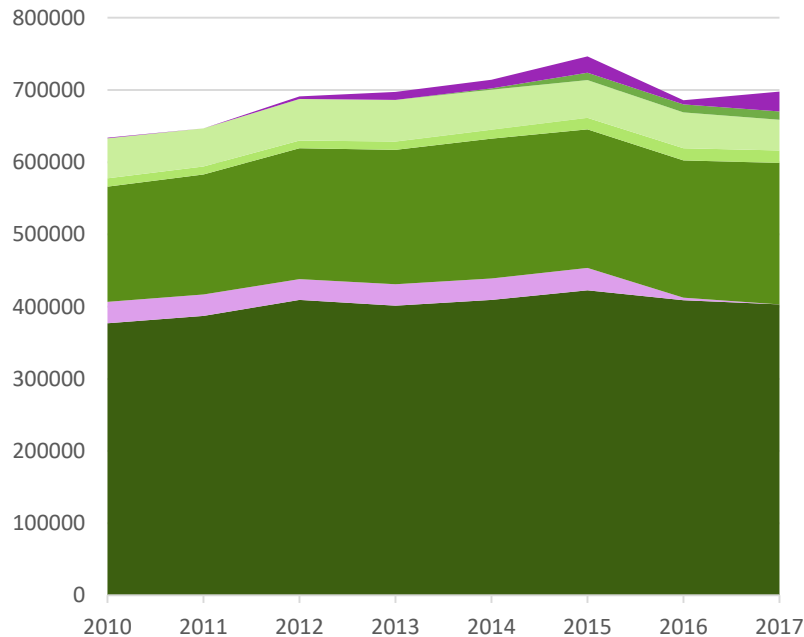


Soili Vasikainen, Ph.D., Department for Higher Education and Science Policy  
Ministry of Education and Culture  
Ministère de l'Éducation et de la Culture

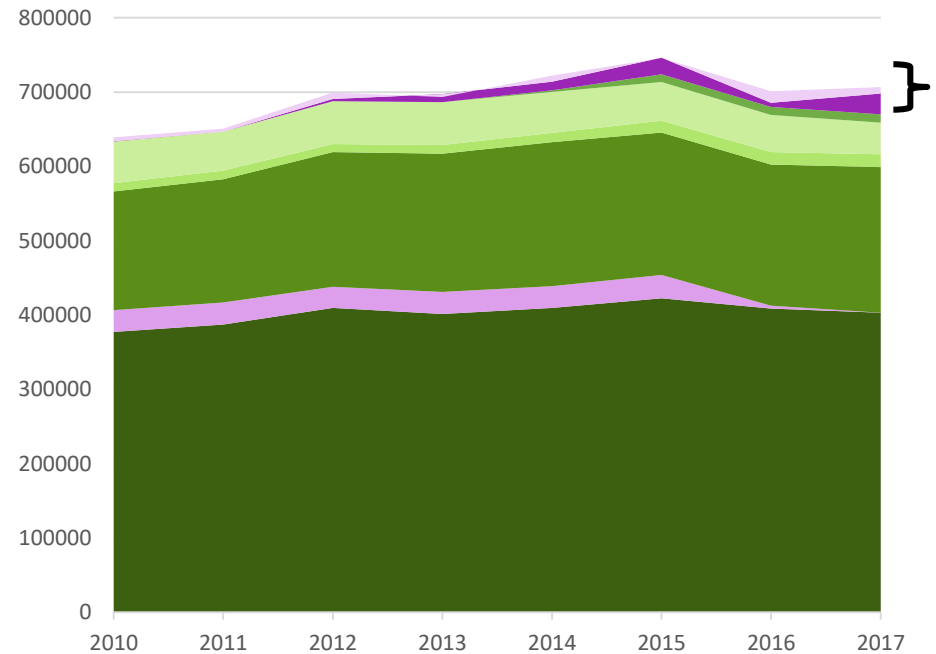
# Total Funding of the Finnish University Sector 2010-2017 (2010 University reform)



# Total Funding of the University of Helsinki (+ Group net revenue)

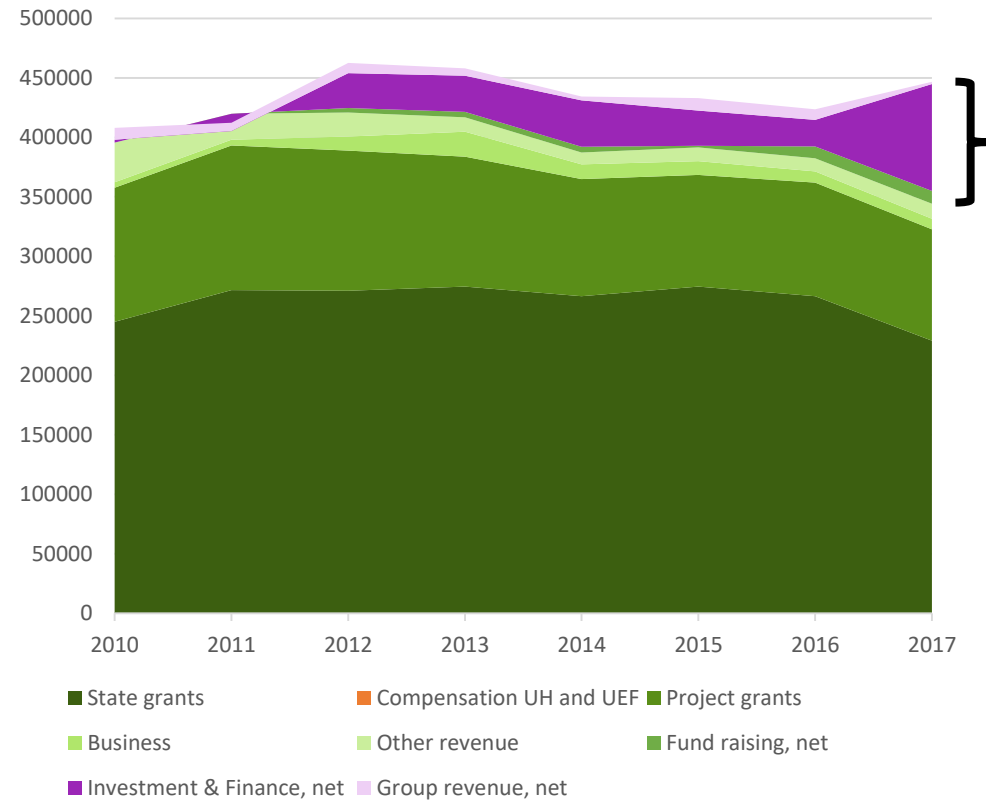
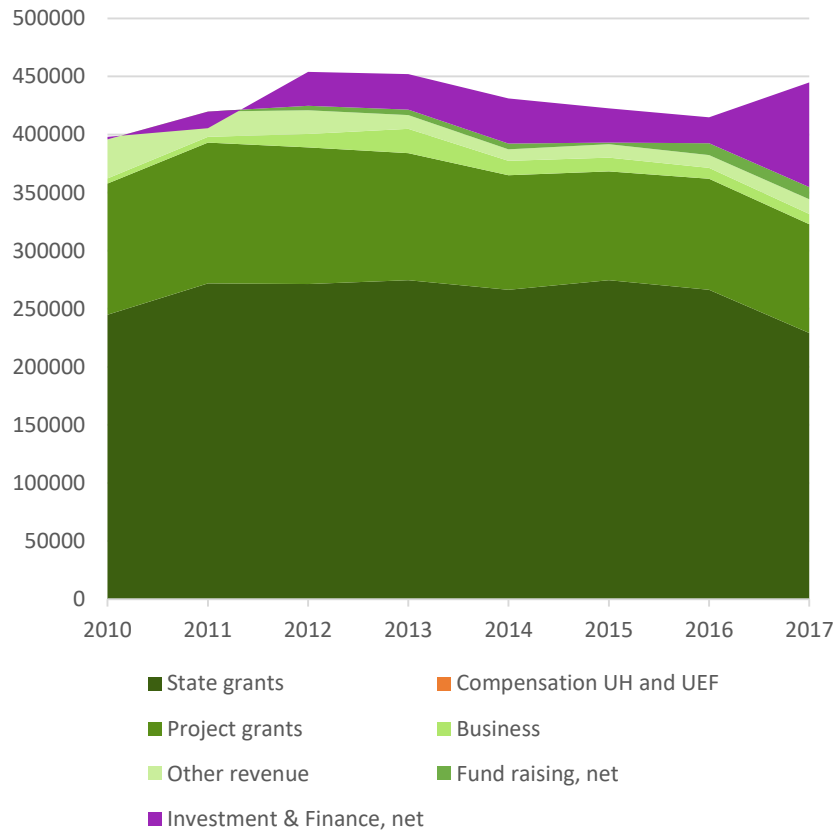


- State grants
- Project grants
- Other revenue
- Investment & Finance, net
- Compensation UH and UEF
- Business
- Fund raising, net

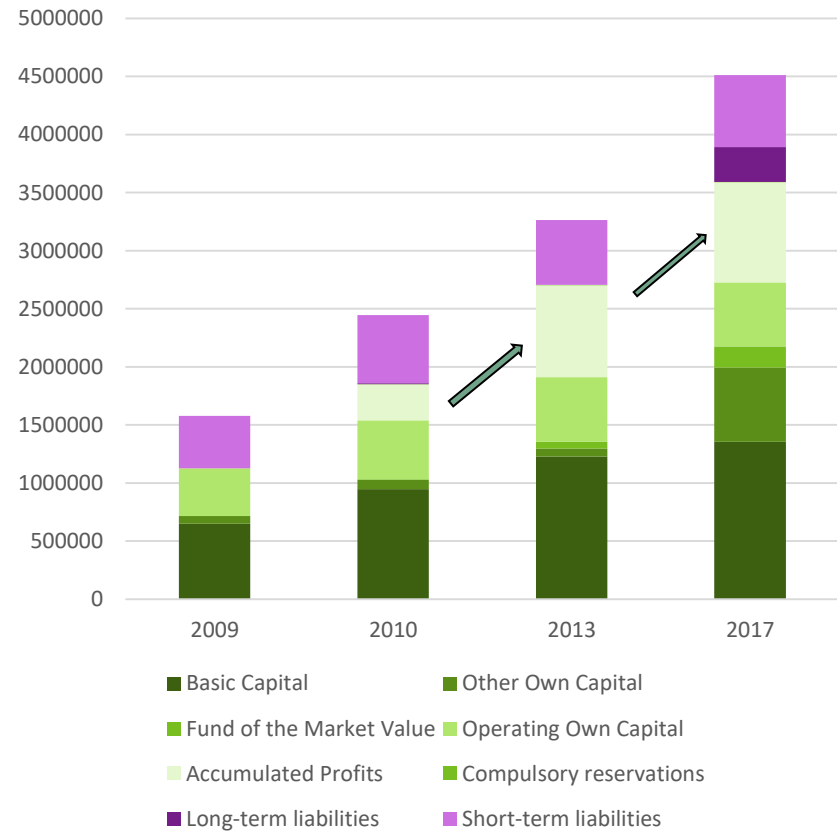
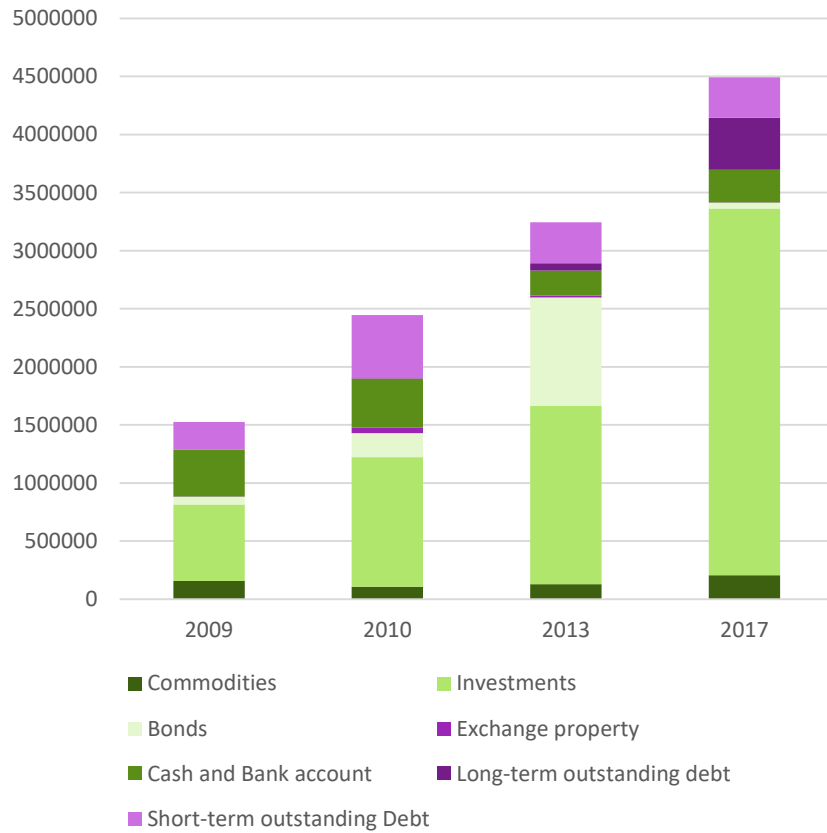


- State grants
- Project grants
- Other revenue
- Investment & Finance, net
- Compensation UH and UEF
- Business
- Fund raising, net
- Group revenue, net

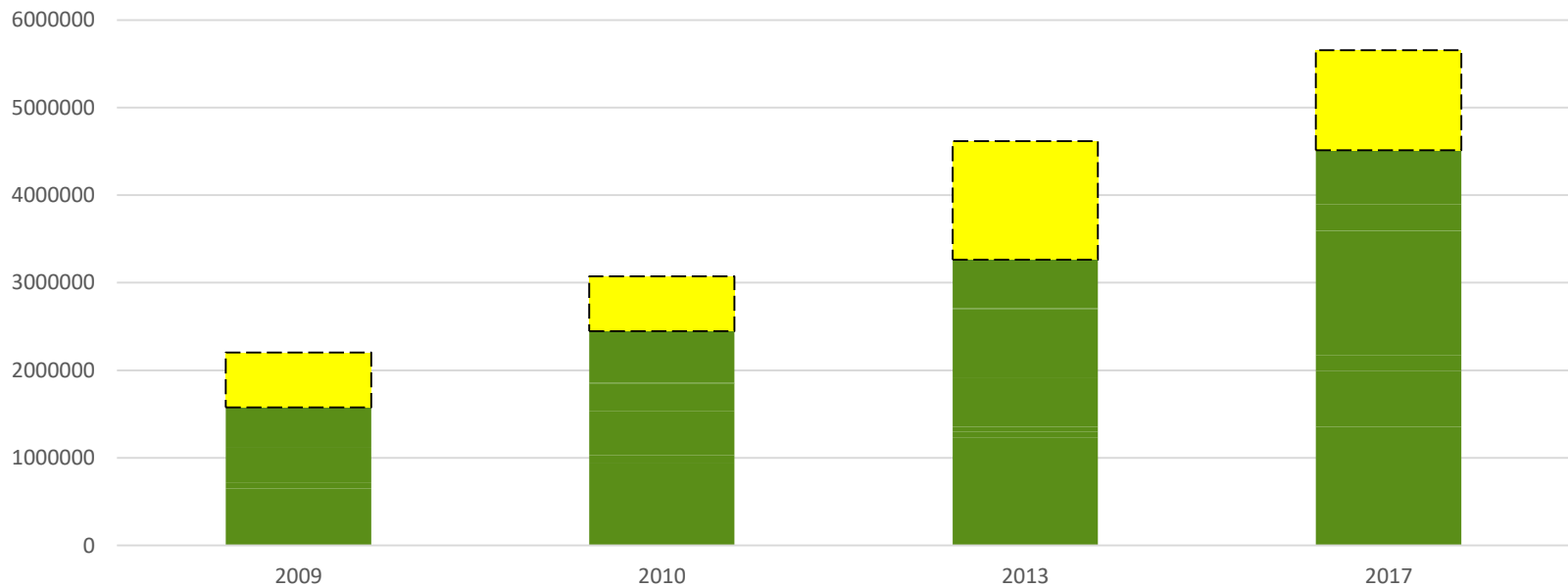
# Total Funding of Aalto University ( + Group net revenue)



# Balance sheets (active and passive) (without Groups)



# Balance Sheets (Groups included)



Yellow = The Value of the Group

## Conclusions (1/2)

- Capitalization has been an important decision from the Ministry of Education.
- Totally 1 billion € has been given to Universities as extra financing during years 2010 - 2018. (+ fund raising for 0,5 billion €). Universities have to invest this money (or it is as real estate) and only the returns can be used.
- Financial buffers 0,3 → 1,35 billion €
- Financial and real estate investments in balance sheet  
0 → 3,2 billion €

## Conclusions (2)

**Metamorphosis from a state unit to an independent organization has focused on three themes:**

- 1.** How to manage real estate – in own balance sheet, in a limited company as part of the Group or as a jointly owned limited company, where Government still exists as a minority shareholder.
- 2.** How to organize asset management and how to allocate returns to cover the University costs in a sustainable way. The cash flow from financial investments has not been systematic yet. It's more like a result of transactions in portfolios.
- 3.** Fear to show a negative result – mindset still as a government budget unit.