



FOLKETINGET
STATSREVISORERNE



FOLKETINGET
RIGSREVISIONEN

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Extract from Rigsrevisionen's report
submitted to the Public Accounts Committee

**The Danish Ministry of
Higher Education and
Science's management
of a project to develop a
new study administration
system for the universities**

1. Introduction and conclusion

1.1. Purpose and conclusion

1. In April 2017, the Danish Ministry of Higher Education and Science launched a project to develop and implement a new study administration system at the universities (hereinafter referred to as the project). The new system provides assistance to both the academic staff and the students in organising study programmes, managing registration for courses and exams and managing student enrolment. The system also provides data for calculating the government grants to the universities and paying SU (state educational grants) to the students. The ministry transferred the project from the Danish Agency for Higher Education and Science to the universities at the end of 2021 by Doc. 127 16/12 2021. The project is ongoing.

2. The Ministry of Higher Education and Science submitted a second funding application (confidential Doc. E 27/10 2023) to the Finance Committee of the Danish Parliament in October 2023. In this application, the ministry asked the Finance Committee to approve an overall financial budget of approx. DKK 1.2 billion for the implementation of the project. It appears from the funding application that the ministry and the universities had already incurred expenses exceeding the budget guideline limit of DKK 70 billion, and invited tenders without prior approval from the Finance Committee. It also appears from the Finance Committee's notes to Doc. E that the committee criticized sharply the events that occurred prior to the submission of the funding application.

Subsequently, the Finance Committee asked the Danish Public Accounts Committee to request that Rigsrevisionen examine the oversight of the development and implementation of the new study administration system provided by the Ministry of Higher Education and Science. The Public Accounts Committee fulfilled the request of the wish of the Finance Committee and asked Rigsrevisionen to initiate a study in November 2023.

3. The purpose of the study is to assess the Ministry of Higher Education and Science's management and monitoring of budget adherence and project deliverables, including the ministry's compliance with the rules of the budget guideline regarding submissions to the Finance Committee. The report answers the following questions:

- Did the Ministry of Higher Education and Science manage the project adequately, before it was transferred to the universities?
- Has the Ministry of Higher Education and Science adequately monitored the project subsequent to its transfer to the universities?

4. In this report, we make a distinction between the Ministry of Higher Education and Science and the universities. The Ministry of Higher Education and Science includes the department and the Agency for Higher Education and Science, while the universities are self-governing institutions under the supervision of the ministry.



Conclusion

The Ministry of Higher Education and Science has managed and monitored the project launched to develop a new study administration system at the universities in a very unsatisfactory manner. Consequently, the project has been delayed and the expenses have increased by approx. DKK 100 million, according to the ministry. Furthermore, the ministry presented the project to the Finance Committee under the Danish parliament with delay exceeding two years, which is highly unsatisfactory.

The management of the project by the Ministry of Higher Education and Science before its transfer to the universities, has been very unsatisfactory

The project charter of the Ministry of Higher Education and Science was extremely inadequate and the ministry did not follow up on the budget of the project. Therefore, the ministry's management has not met with the requirements of the government's IT-project model, as is obligatory for projects of this size. During the course of the period under investigation, the budget of the project was increased by approx. DKK 480 million, corresponding to an increase of 65%, and the completion of the project has been postponed by 54 months.

In September 2021, the ministry **became aware** that the project had exceeded the submission limit indicated in the budget guideline. However, when the ministry submitted Doc. 127 in December 2021, the Finance Committee was not informed of this. Instead, it was stated in the application, that the ministry would submit the project to the Finance Committee when it was relevant to the budget guidelines.

Since the project was transferred to the universities, the oversight of the project provided by the Ministry of Higher Education and Science has been very inadequate

The oversight of the project provided by the Ministry of Higher Education and Science has been very limited. The oversight consisted of the ministry's approval of the universities' half-yearly progress reports to the Government's IT Council (Statens It-råd). These reports provide an overview of the progress of the project.

Rigsrevisionen notes that after the ministry realised that the submission limit had been exceeded, it took the ministry more than two years to submit Doc. E to the Finance Committee, in October 2023. This in spite of the fact that since January 2022, the universities had consistently emphasized to the ministry that it was crucial for the time schedule and economy of the project that the ministry submits the application to the Finance Committee.

Due to the delayed submission of the application, the project has been delayed and the costs have increased by approx. DKK 100 million. The project has been delayed, because the universities had to wait for the approval of the application, before entering into a contract with a supplier. The project costs have increased, because the universities will incur expenses for running the current study administration systems for a longer period than anticipated. The ministry should have indicated in Doc. E that approx. DKK 100 million of the total expenses of the project were related to the delayed application.

The ministry has informed Rigsrevisionen that the report gives a true and fair view of inadequate management procedures in the ministry and that the report highlights substantiated criticism of the ministry's management and oversight of the project. The ministry has also informed Rigsrevisionen, that with effect from the fourth quarter of 2023, it has implemented quarterly oversight of the universities' IT projects.