



University
of Basel

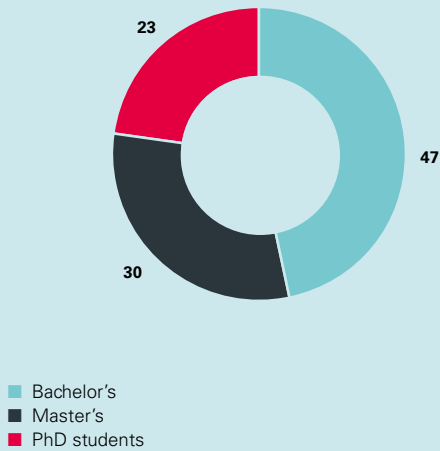
Annual Report 2020

Summary

2020 in figures.

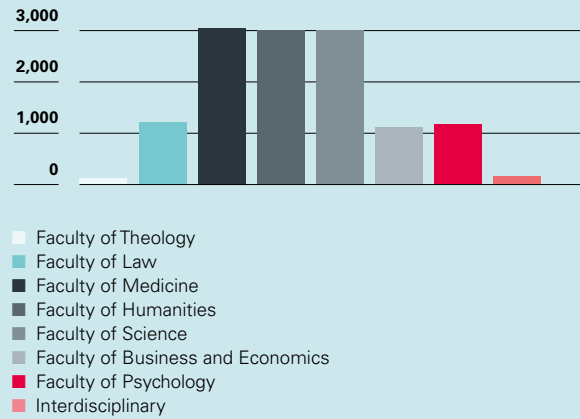
Study levels (in %)

The high proportion of doctoral candidates shows that the university enjoys a good reputation both nationally and internationally as a research university.



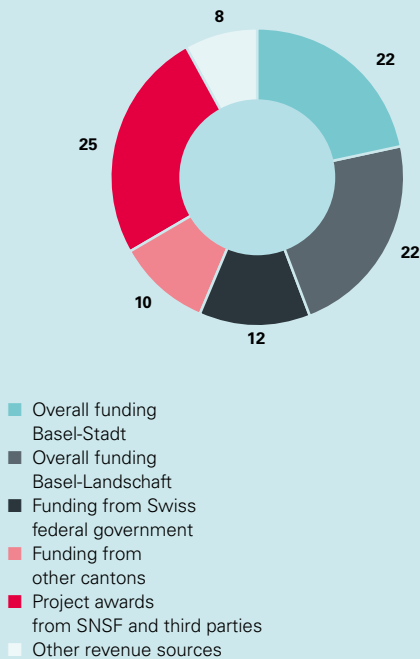
Students and PhD candidates

With just under 3,000 students each, the Faculties of Medicine and Science are the largest at the University of Basel.



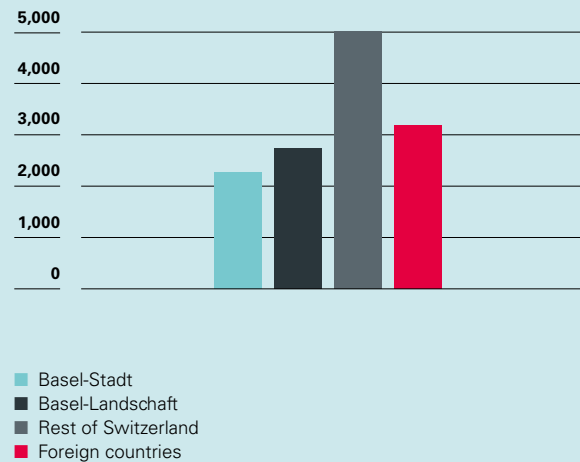
Financing (percentage)

Basel-Stadt and Basel-Landschaft provide less than half of the university's funding.



Origin

37,9% of the students and PhD candidates come from the cantons Basel-Stadt and Basel-Landschaft.



Students and PhD candidates

	Women		Men		Total	
	2020	2019	2020	2019	2020	2019
Faculty of Theology	55	56	57	50	112	106
Faculty of Law	716	695	486	507	1,202	1,202
Faculty of Medicine	1,751	1,671	1,299	1,279	3,050	2,950
Faculty of Humanities and Social Sciences	1,903	1,861	1,107	1,116	3,010	2,977
Faculty of Science	1,492	1,424	1,525	1,518	3,017	2,942
Faculty of Business and Economics	405	421	713	758	1,118	1,179
Faculty of Psychology	880	775	289	247	1,169	1,022
Institute for Educational Sciences	122	127	41	38	163	165
Interdisciplinary degree programs and doctoral studies	184	170	114	98	298	268
Total	7,508	7,200	5,631	5,611	13,139	12,811
Total in %	57.1%	56.2%	42.9%	43.8%	100.0%	100.0%

Academic staff at the University of Basel as of 31.12.2020 (including Faculty of Medicine)

	Women		Men		Total
		%		%	
Professors	42	24.0	133	76.0	175
Clinical professors	10	14.3	60	85.7	70
Associate professors	20	24.4	62	75.6	82
Tenure-track	9	45.0	11	55.0	20
Assistant professors	12	35.3	22	64.7	34
Adjunct professors	52	15.8	278	84.2	330
Lecturers (Privatdozent)	141	29.1	344	70.9	485
Assistant lecturers	237	42.3	323	57.7	560
Total	523	29.8	1,233	70.2	1,756

Students and PhD candidates according to their origin prior to their start of studies in fall 2020

	Women		Men		Total	
		%		%		%
Bachelor's program	705	51.0 %	676	49.0 %	1 381	10.5 %
Master's program	347	56.1 %	272	43.9 %	619	4.7 %
Doctoral studies	131	49.6 %	133	50.4 %	264	2.0 %
Basel-Stadt	1,183	52.3 %	1,081	47.7 %	2,264	17.2 %
Bachelor's program	897	55.9 %	707	44.1 %	1,604	12.2 %
Master's program	452	56.5 %	348	43.5 %	800	6.1 %
Doctoral studies	155	48.6 %	164	51.4 %	319	2.4 %
Basel-Landschaft	1,504	55.2 %	1,219	44.8 %	2,723	20.7 %
Bachelor's program	1,493	63.7 %	850	36.3 %	2,343	17.8 %
Master's program	1,142	63.6 %	655	36.4 %	1,797	13.7 %
Doctoral studies	463	55.1 %	378	44.9 %	841	6.4 %
Rest of Switzerland	3,098	62.2 %	1,883	37.8 %	4,981	37.9 %
Bachelor's program	461	55.6 %	368	44.4 %	829	6.3 %
Master's program	469	59.7 %	316	40.3 %	785	6.0 %
Doctoral studies	793	50.9 %	764	49.1 %	1,557	11.9 %
Foreign countries	1,723	54.3 %	1,448	45.7 %	3,171	24.1 %
Total	7,508	57.1 %	5,631	42.9 %	13,139	100.0 %

Legal note

This is a translated and abbreviated version of the German original.
It is provided for information purposes only and has no legal force.
The complete German original can be found here:
www.unibas.ch/de/Universitaet/Portraet/Jahresbericht

Acknowledgments

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University of Basel

Fiscal Year 2020

At a glance

in CHF million	2020	2019	2018	2017
Income statement				
Public contributions	512.9	510.7	505.9	501.9
Third-party contributions, including SNSF	194.0	187.1	171.9	157.7
Fees, services and investment income	58.5	74.3	50.3	69.6
Out-of-period income	2.5	4.4	2.4	0.8
Total income	767.9	776.5	730.5	730.0
Personnel costs	393.8	376.1	376.3	371.9
Material expenses	299.1	280.6	290.9	300.2
Depreciation on fixed assets	27.9	27.9	28.6	30.0
Liquidation (-) / allocation (+) of unused project funds	45.5	58.7	46.4	29.3
Out-of-period expenses	1.6	1.6	4.4	3.6
Liquidation (-) / formation (+) of reserves	-0.1	31.5	-16.7	-5.6
Total expenses	767.7	776.4	729.9	729.4
Year-end result	0.2	0.2	0.6	0.6
Balance sheet				
Current assets	421.9	378.7	309.8	282.5
Fixed capital	913.5	847.7	780.8	728.1
Total assets	1,335.4	1,226.3	1,090.6	1,010.6
Borrowed capital	570.4	507.0	461.6	411.9
Committed funds	516.6	471.1	412.4	366.0
Reserves	234.0	234.1	202.7	219.4
Free equity capital	14.3	14.2	14.0	13.4
Total liabilities	1,335.4	1,226.3	1,090.6	1,010.6

The annual financial statement lists rounded figures; small rounding differences are therefore possible.

Commentary:

Fiscal Year 2020

Introductory remarks and appraisal of the annual financial statement 2020

The 2020 fiscal year closed with a positive result of CHF 0.2 million, slightly better than the budget target of a balanced result for 2020. Both in terms of income and expenses, partially compensatory effects and special measures mean that the balance shows a slight decrease on both sides. The decline on the revenue side does not hide the fact that contributions from third parties, including the Swiss National Science Foundation, at CHF 194 million exceeded the previous year's historic level. The increase in contributions from third parties is also reflected on the expense side, which recorded significantly higher personnel and material costs for third-party financed projects. These increases are well in excess of reductions in expenditure financed from public funding sources, as a result of the savings measures required in the 2018 to 2021 performance period. In addition, fluctuations in value on the financial markets, at times considerable, have in turn meant investment income has experienced major variations in the last three years, with increases or decreases both on the income side in investment proceeds and on the expenses side due to the formation or liquidation of reserves for investment risks.

The additional annual savings of CHF 3.1 million included in the 2020 budget were achieved in full in the 2020 fiscal year. The recurring annual savings efforts have, as planned, so far resulted in total savings of CHF 13.3 million since the start of the performance period (e.g. suspension of the automatic wage increase in 2019, reduction of the investment budget, vacant professorships remaining unfilled and associated personnel resources foregone, reduction in facilities for current professorships, reduction in central financial support for teaching and research collaboration). At the same time, the reduction of reserves of CHF 10 million required for the fourth performance period as part of the requirements of the supporting cantons was implemented in 2020 through appropriate measures (including a partial dissolution of the University Council's strategic reserve in the reserves) as part of the annual financial statements. In addition, the university is using the additional funds provided for in accordance with the performance man-

date as planned for its further strategic development. In 2021, this will reach an overall total of CHF 7 million. Since the beginning of this performance period, additional funds have been deployed – in particular for digital transformation in various areas of the university, the establishment of a data analytics center, the Research & Infrastructure Support unit (RISE) in the Faculty of Humanities and Social Sciences, participation in the Institute of Molecular and Clinical Ophthalmology Basel (IOB), broad-based innovation initiatives, measures in the field of integrity, quality development and accreditation, and a further National Center of Competence in Research (NCCR).

The effects of the coronavirus crisis are noticeable at the university, as elsewhere. Currently, the impact is felt mainly in operating expenses. Although the ongoing pandemic restrictions have significantly reduced expenses, in particular for travel in the area of “recruitment, travel and events”, other areas of operating expenses also recorded slight declines based on two contrasting effects. First, the reduction in research activities and the lower use of on-site laboratories led to decreases in these specific expense categories. Second, non-budgeted additional expenses arose both centrally and decentrally in the context of ongoing crisis management (purchase of masks and hygiene supplies, deployment of security services, additional measures for hybrid teaching forms, rental of additional premises for in-person exams, and extra costs in the IT infrastructure area for software licenses and laptops). In terms of revenue, the fluctuations are lower and mainly due to individual university service areas (including University Sports, Language Center, museums, canteens), which recorded lower income due to the pandemic. But this third year of the fourth performance period since the establishment of the joint sponsorship also demonstrates that the University of Basel continues to uphold its efforts in further positive development in key indicators in the areas of teaching and research. This means the university is achieving continuous growth in the procurement of external funding. The downward trend in 2018 in one of the indicators central to teaching, “student numbers”, was halted in the following year, with the university since managing a slight increase. The

current year 2020, and in particular the autumn semester 2020/21, has seen comparative growth of 2.2%, and the university now has in excess of 13,000 registered students and doctoral students for the first time.

This report offers comprehensive details of the activities and influences in the 2020 fiscal year with the aim of providing investors and interested members of the public with the most accurate depiction possible of the university's financial situation.

Factors impacting the 2020 result

Revenue side: the ordinary total income (not including out-of-period effects) decreased by CHF 6.7 million compared with the 2019 fiscal year (CHF 765.4 million in total; previous year: CHF 772.1 million). This decrease is due to the following movements: first, public contributions increased by a total of CHF 2.1 million in 2020. The contributions from the supporting cantons increased by CHF 2.6 million on balance. On the basis of the resolutions for the fourth performance period, global contributions for 2020 will be reduced by CHF 17.4 million; however, the two supporting cantons will provide funds in a total amount of CHF 20.0 million for non-capitalizable additional costs for the construction of the new Biozentrum, which are recorded as Accrued receivables, impairment, new Biozentrum building under Extraordinary contributions. With other public contributions, the funds defined by the Intercantonal University Agreement decreased by CHF 2.0 million, while the federal funding under the Higher Education Act increased by CHF 1.5 million. There was a further net increase of CHF 6.9 million in project awards from the SNSF and third parties. Project awards from the SNSF contributed an additional CHF 14.1 million, not least due to the procurement of two National Centers of Competence in Research. However, project awards from other external funds failed to maintain the peak values of 2019, although the CHF 96.5 million recorded was still the second-best result in the history of the university. Finally, the university's own income (fees, service and investments) fell by CHF 15.7 million compared with the previous year. This was due to significant losses in value in the area of investments and coronavirus-related income losses in the area of fees and services.

Expenditure side: in expenditure, there was a decline of CHF 8.7 million over the previous year, although this requires a differentiated view. The ordinary total expenditure (i.e. not including out-of-period effects and the formation/liquidation of reserves) increased by CHF 22.9 million compared with the previous year, although significant compensatory effects have already been observed in this area. There were significant increases in personnel costs (CHF 17.7 million) and material costs (CHF 18.5 million), albeit with contrasting movements within the latter. On the one hand, operating expenses, particularly in the area of project funds, fell by CHF 12.2 million due to coronavirus-related restrictions, and on the other hand, expenses for occupancy costs and expenses in the real estate fund both recorded significant increases (CHF 21.6 million and CHF 9.3 million, respectively). These increases are only partially offset by the further changes in the other items (CHF -0.3 million on balance) and by the lower allocation of unused project funds (CHF -13.2 million).

The strong decrease of CHF 29.6 million in the ordinary operating result – the balance of income and expenses before out-of-period transactions and the formation/liquidation of reserves – can be attributed to the lower ordinary income (CHF -6.7 million) and to higher ordinary expenses (CHF +22.9 million).

The balance of this year's out-of-period transactions in the amount of CHF 0.9 million is due to the formation and liquidation of deferrals in the area of ancillary cost billing for property management and compensation for management costs, which resulted in this positive balance.

In 2020, the University of Basel liquidated reserves in the amount of CHF 0.1 million. A balance was maintained between newly formed reserves of CHF 17.3 million and properly liquidated reserves of CHF 17.4 million. In 2020, the reserves formed included CHF 9.1 million for real estate (the result from real estate is always offset against a reserve to ensure that the relevant public funds for real estate are earmarked for the following year), an allocation in the amount of CHF 1.3 million to the allocated reserve for investment risks (market-driven value adjustments for unrealized price gains), and CHF 6.9 million for measures that are already decided, most of which were included in the 2020 budget and for which implementation of the cost impact will not begin until 2020 or later. The reserve liquidation largely relates to the reserves as per financing regulations (CHF -15.4 million), and the committed reserve for fixed assets (CHF -2.0 million). The details of the accumulated and liquidated reserves in the 2020 fiscal year are explained in the following and listed in Notes 23 to 26 in the annex.

The following can be said about the individual items on the income statement:

Revenue side:

Public contributions totaling CHF 512.9 million are broken down into global contributions from the two supporting cantons Basel-Stadt (CHF 156.2 million) and Basel-Landschaft (CHF 161.9 million), federal contributions under the Higher Education Act (CHF 94.6 million) and contributions from other cantons in accordance with the Intercantonal Agreement (CHF 78.4 million). In addition to the global contributions, the two supporting cantons have pledged compensation to the university for non-capitalizable additional costs for the new Biozentrum building totaling CHF 20.0 million (see Notes 5 and 14 in the annex), which is reported as an “extraordinary contribution”. The Canton of Basel-Stadt also provides additional contributions covered by the special service agreements for the public mandate for the University Library (CHF 1.3 million) and Student Advice Center (CHF 0.5 million). The Canton of Basel-Stadt also makes an indirect contribution by waiving CHF 10 million in basic rent for its properties used by the university. This amount is not reported under this item but as an expense reduction in occupancy costs (see Note 14 in the annex).

The project funds from the Swiss National Science Foundation of CHF 97.5 million again exceeded the previous year's record value, this time by CHF 14.1 million. This further significant increase is due not only to the persistently excellent success rate of researchers in the area of “normal” (individual) project awards, but also to the contributions paid out for the first time in 2020 totaling CHF 7.2 million for the two new national research areas – AntiResist in the Biozentrum and SPIN (Spin Qubits in Silicon) in physics. As in the previous year, this includes contributions to the National Centers of Competence in Research for Molecular Systems Engineering and Quantum Science and Technology with leading house ETH Zurich and co-leading house the University of Basel. Provided they were not used in 2020, the committed project funds were reported on the balance sheet as “Committed funds”.

The university received CHF 96.5 million (previous year CHF 103.6 million) in third-party project funds. With the exception of a few major projects, these funds break down into several awards covering all faculties, with contributions ranging from CHF 0.1 million to CHF 0.9 million. Large, typically

Operating result/year-end result

in CHF million	2020	2019	2018	2017
Ordinary operating result	-0.8	28.8	-14.1	-2.2
Out-of-period income	2.5	4.4	2.4	0.8
Out-of-period expenses	-1.6	-1.6	-4.4	-3.6
Formation (-) / liquidation (+) of reserves	0.1	-31.5	16.7	5.6
Reported year-end result	0.2	0.2	0.6	0.6

related domains within these funds include awards of CHF 16.4 million for EU projects and special federal programs totaling CHF 15.9 million, such as SCCER Crest research supported by the Swiss Innovation Agency (Innosuisse, formerly the Commission for Technology and Innovation) and the Swiss Centre for Applied Human Toxicology (SCAHT). In teaching, federal funding also contributed to increasing university places for human medicine with a special program. Overhead payments of the Swiss National Science Foundation came to CHF 11.3 million (previous year CHF 10.8 million; this is directly related to the procurement of project funds from the Swiss National Science Foundation and is provided largely to fund infrastructure. Finally, project funds include the earmarked contribution from the Canton of Aargau (CHF 5.0 million) for the operation of the Swiss Nano Institute, and the second tranche of CHF 5.0 million from Fondation Botnar for the Botnar Research Centre for Child Health (BRCCH). More details can be found in Note 7 and in the consolidated financial statistics in the statistical data. Provided they were not used in 2020, the committed project funds were reported on the balance sheet as “Committed funds”.

Miscellaneous revenues record a decrease of CHF 15.7 million on balance. This decline can primarily be attributed to investment proceeds, which fell by CHF 13.2 million on the previous year (see Notes 10 and 26). In addition, revenue from fees fell (CHF -1.7 million, see Note 8) as did the university’s own service income (CHF -0.8 million, see Note 9) compared with the previous year.

Expenditure side:

The university’s personnel costs increased significantly by CHF 17.6 million compared with the previous year. The following developments are responsible for this increase: an increase in personnel costs of CHF 6.1 million for positions funded by ordinary budget funds in teaching, research and self-administration; an increase of CHF 11.5 million for the Swiss National Science Foundation and other external funding (for details see Note 12). More details can also be found in the personnel overview in the statistical data.

The decline in operating costs of CHF 12.2 million compared with the previous year can be attributed to a slight increase of CHF 0.3 million in ordinary budget resources and to a significant decrease in financing from SNSF and other external sources (CHF -12.5 million). At the level of individual expense categories, the expenses for materials and third-party services remains the largest individual item, totaling almost CHF 57 million. Further detailed items in operating costs and their changes compared to the previous year are shown in Note 13 in the annex.

Compared with the previous year, occupancy costs (see Note 14) showed a significant net increase of CHF 21.6 million. This increase is partly attributable to a one-off effect for the new Biozentrum. On the basis of a detailed analysis of the costs incurred to date for the new building, carried out by an external consultancy, the additional costs that cannot be capitalized were calculated in consultation with the supporting cantons and the auditors. For 2020, the calculated provisional value of CHF 20 million was recorded under occupancy costs (funding is provided through corresponding awards under “Special contributions” from the supporting cantons, see Note 5). The increase was also driven by net occupancy cost increases of a further CHF 1.6 million across all other items. As in the previous year, this item includes a deduction payment in the amount of CHF 10.0 million by the Canton of Basel-Stadt for the basic rent for the cantonal properties used by the university. Further detailed items in occupancy costs and their changes compared with the previous year are shown in Note 14 in the annex.

Non-capitalized small investments (purchases under CHF 1,000) increased by around CHF 0.4 million in comparison with the previous year. As in the previous year, this item (see Note 15) also includes non-capitalized expenses for software development, service contracts and investment contributions to partners.

The item for furnishings, building services and construction investments (see Note 16) remained at the previous year’s level on balance, at CHF 2.9 million. Further detailed items and their changes compared with the previous year are shown in Note 16 in the annex.

The maintenance and investment real estate fund came in at CHF 25.4 million, CHF 9.3 million higher than the previous year. The largest deviation comes from the expenses for individual plans and projects amounting to CHF 18.0 million in 2020, an increase of CHF 8.3 million on the previous year. In 2020, this position was composed of numerous smaller implementation measures in the overall property portfolio and to a greater extent the following major individual plans: establishment of autonomous operations at the Center for Pharmaceutical Sciences (CHF 1.1 million), central cooling system at Petersplatz (CHF 2.5 million), the complete refurbishment of the cafeteria at Bernoullistrasse 14/16 (CHF 3.9 million), maintenance of network components (CHF 1.0 million), reconstruction of the entrance area to UB study rooms (CHF 1.2 million), temporary solution for the environmental geosciences in Bernoullistrasse 32 (CHF 1.4 million) and replacement of AV equipment in

Kollegienhaus (CHF 2.9 million). In addition, expenses for building maintenance (CHF +0.9 million), services (CHF +0.3 million) and construction and building services (CHF –0.2 million) resulted in a total of CHF 1.0 million above the previous year and thus roughly back to the level of 2017 and 2018.

The balance for the item liquidation/allocation of unused project funds is CHF +45.5 million (previous year CHF +58.7 million). Based on the university’s accounting regulations, this item includes the effective liquidations or allocations to the corresponding liability items on the balance sheet (see detailed description in Note 21 “Liquidation/allocation of unused project funds” in the annex).

The reserves item (see Notes 23 to 26) includes the formation and liquidation of reserves in line with the accounting regulations and financing rules of the university and approved by the University Council with the annual financial statement. The following reserves of CHF 17.3 million were formed for future or planned expenditure in 2020: CHF 9.1 million to balance real estate in the segment accounting conducted internally from the fourth performance period, CHF 3.5 million carried over from binding appointment awards in 2020, and a total of CHF 3.4 million for earmarked carryovers from the operating budget (CHF 0.3 million) or from the investment budget (CHF 3.1 million). There was no special amount for matching funds in the area of competitively acquired external funding for performance-based financial support of research groups in 2020 (previous year CHF 4.0 million). To hedge risks in the area of financial assets, the fluctuation reserve was increased by CHF 1.3 million by means of an additional reserve. Conversely, proper liquidation of the reserves totaling CHF 17.4 million accumulated in previous years was carried out according to their earmarking, with CHF 12.7 million in assigned budget carryovers and CHF 2.7 million for new appointments. In addition, further amounts for liquidation of committed funds from the University Council (CHF 0.02 million) and reserves for fixed assets (CHF 2.0 million) also occurred in 2020.

Outlook for 2021 and the fourth performance period as a whole

The faculties and central units must achieve structural savings of around CHF 10 million in their budgets by the end of the 2018-2021 performance period. In addition to the savings already implemented by the end of the 2020 financial year totaling CHF 8 million, the university units will make further savings totaling around CHF 2 million in 2021. Further central and university-wide measures

are necessary to keep the university's accounts in balance. This also includes the university's financial contribution required for the fourth performance period for 2021 through the reduction of reserves in the amount of CHF 10 million under the requirements of the supporting cantons.

In 2022, the university will switch its accounting standard to Swiss GAAP FER, which will result in major adjustments in the reporting of results. In view of this change, an equity strategy will be developed to allow the university to secure its medium and long-term capacity for action as a sustainable operation. Adequate equity will allow the university to take advantage of short-term opportunities in the areas of innovation, research and teaching, and to at least partially cover the numerous and in some cases financially significant risks (real estate financing, pension fund financing, loss of financial sources, pandemics, etc.) independently.

With the Strategy 2022–2030, which was adopted by the University Council on 19 September 2019, the university is laying the groundwork for its successful development over the next 10 years. The application submitted by the university to the supporting cantons of Basel-Landschaft and Basel-Stadt in spring 2020 for the fifth performance period 2022–2025 is based on this strategy. On the basis of current discussions with the governments of the two supporting cantons, the university has updated its financial planning for 2022–2025 to make the financial effects and the resulting measures apparent to the University Council. The entire university welcomes the preliminary results, as they can be used to establish a balanced, future-oriented foundation for the next four years. The university looks forward to the further process in the two governments and parliaments, and the resulting final decisions in autumn 2021.

University of Basel income statement 2020

in Swiss francs	Statement 2020	Statement 2019
Revenue		
Overall funding Canton of Basel-Stadt	156,200,000	164,900,000
Overall funding Canton of Basel-Landschaft	161,900,000	170,600,000
Federal funding under the Higher Education Act	94,593,554	93,085,851
Funding from other cantons under the Intercantonal Agreement	78,389,723	80,350,525
Special contributions	21,800,700	1,800,700
Public contributions	512,883,977	510,737,077
Project awards from the SNSF	97,481,202	83,388,409
Project awards from other third parties	96,506,093	103,677,976
Project awards from the SNSF and third parties	193,987,294	187,066,385
Revenue from fees	26,126,474	27,842,361
Revenue from services	23,418,557	24,173,789
Investment proceeds	8,989,344	22,251,734
Other revenue sources	58,534,375	74,267,884
Out-of-period income	2,460,920	4,442,649
Out-of-period income	2,460,920	4,442,649
Total income	767,866,565	776,513,995
Expenses		
Personnel costs	393,752,876	376,076,192
Operating costs	100,255,615	112,477,681
Occupancy costs	75,477,797	53,829,459
Small-scale IT and equipment investments	4,142,975	3,773,526
Furnishings, building services and construction investments	2,890,496	2,910,957
Maintenance and investments in real estate fund	25,427,495	16,076,443
Compensation for teaching and research in clinical medicine at university hospitals	90,875,059	91,509,059
Depreciation on real estate	1,808,357	1,771,377
Depreciation on fixed assets	26,058,894	26,114,991
Liquidation (-) / allocation (+) of unused project funds	45,503,372	58,701,322
Ordinary expenses	766,192,938	743,241,007
Out-of-period expenses	1,574,579	1,638,987
Out-of-period expenses	1,574,579	1,638,987
Liquidation (-) / formation (+) of reserves as per financing regulations	632,226	18,387,279
Liquidation (-) / formation (+) committed allocations University Council	-28,677	-508,425
Liquidation (-) / formation (+) committed reserves for fixed assets	-1,993,319	-561,052
Liquidation (-) / formation (+) committed reserves for investment risks	1,309,386	14,157,525
Reserves	-80,384	31,475,328
Total expenses	767,687,133	776,355,322
Year-end result		
Annual net profit	179,432	158,673

University of Basel balance sheet as of December 31, 2020

in Swiss francs	31/12/2020	31/12/2019
Assets		
Liquid assets	121,545,110	223,216,125
Short-term financial assets	142,777,967	26,064,006
Receivables from third parties	36,299,282	26,538,588
Receivables from the Confederation	84,868,481	90,000,000
Receivables due from supporting cantons	26,000,000	6,000,000
Receivables due from affiliates	130,964	356,005
Operational stocks	501,453	358,288
Accruals	9,735,661	6,123,837
Total current assets	421,858,919	378,656,849
Long-term financial assets	309,832,829	310,537,098
Investments	1,323,015	1,304,125
Employer advance pension fund	42,222,151	45,625,228
Claims on the supporting cantons	–	6,000,000
Loans receivable	20,424,350	21,337,501
Properties for operational needs	53,163,104	50,533,758
Facilities	82,787,080	84,780,398
Facilities under construction	403,751,977	327,573,866
Total fixed capital	913,504,506	847,691,974
Total assets	1,335,363,425	1,226,348,823
Liabilities		
Bank loans	26,633,284	5,568,927
Liabilities toward third parties	61,800,305	57,341,973
Loans, supporting cantons	60,000,000	60,000,000
Loans, restructuring pension fund	23,450,000	25,250,000
Loans, assets under construction	319,261,682	279,172,604
Balance sheet reserves	50,720,765	52,045,289
Accrued liabilities	28,551,795	27,628,863
Total borrowed capital	570,417,832	507,007,656
Project funds Swiss National Science Foundation	171,281,634	146,204,062
Real estate fund	78,614,811	79,009,428
Other project funds (field-specific or earmarked)	220,562,970	201,333,066
Committed capital funds, foundations and associations	46,098,680	44,506,161
Total committed funds	516,558,095	471,052,717
Reserves from appointments	17,772,146	16,924,749
Reserves from budget carryovers	54,607,081	63,899,335
Reserves from real estate	27,672,313	18,595,231
Committed awards University Council	192,532	221,209
Committed reserves for fixed assets	82,787,078	84,780,396
Committed reserves for investment risks	51,015,360	49,705,974
Total reserves	234,046,511	234,126,895
Free capital funds and foundations	8,823,870	8,569,773
Free reserves	5,337,686	5,433,110
Year-end result	179,432	158,673
Total free equity capital	14,340,988	14,161,556
Total liabilities	1,335,363,425	1,226,348,823

Notes to the Annual Report 2020 of the University of Basel.

Scope of consolidation

Based on the recognized business principles for corporate groups with the duty to consolidate or business-like organizations, the annual financial statement of the University of Basel encompasses all asset, capital and performance figures for all departments and service divisions belonging to the University of Basel as a public corporation as well as all figures for legally independent and non-independent foundations, funds and associations that have significant economic relationships with the university. In addition, it reports all funds given by third parties for the fulfillment of the university's performance mandate or which make it possible to carry out supplementary projects in research and teaching for the university or its representatives.

Alternatively, the following rules apply for the principle of inclusion in the annual financial statement:

- Foundations, funds and associations are included if the majority of the members of the legally established body which has influence over the management and assets of the respective organization as the supreme authority consists of university members who are exercising their university function.
- Economic relationships are considered significant if the majority of the assets and/or contributions from the foundations, funds and associations benefit the other units that are included in the university's scope of consolidation.

The departments and service divisions are listed at the end in the table of financial performance figures in the statistical data for the annual financial statement. Non-independent legal funds and foundations refers to around 60 different gifts and legacies from third parties that benefit the university, individual departments or institutes, or that benefit university hospitals and individual university museums. The university manages a large portion of these funds in accordance with the wishes of the donors in the university assets. Legally independent foundations and associations also refer to funds given to the university by third parties. The foundations that are wholly integrated according to civil law are subject to the cantonal supervisory law and are also managed by the university. The foundations and associations according to civil law are the following:

- Alfred Mutz-Stiftung
- Bernhard Hollander-Stiftung
- Basler Studienstiftung
- Frey-Grynäische Stiftung
- Friedrich Zschokke-Stiftung
- Fritz Mangold-Stiftung
- Josef Anton Häfliger-Stiftung
- Nikolaus und Bertha Burckhardt-Bürgin-Stiftung
- Rudolf Riggenschach-Stiftung
- Stiftung für das Knochtumor-Referenzzentrum Basel
- Stiftung für theologische und philosophische Studien
- Stiftung Schweizerisches Wirtschaftsarchiv
- Stiftung Zschokke-Haus
- Stiftung zur Förderung der biologischen Forschung
- Universitätsstiftung Basel
- Verein AlumniBasel
- Verein zur Förderung des Wirtschaftswissenschaftlichen Zentrums der Universität Basel

Art. 31 para. 1 of the agreement between the Cantons of Basel-Landschaft and Basel-Stadt concerning the joint sponsorship of the University of Basel states: "Medical teaching and research is sponsored by the university, in particular the Faculty of Medicine. Services are performed both in the university departments and institutes as well as at the university hospitals and hospitals with university clinics." As part of the State Agreement negotiations, the costs for clinical teaching and research at the university hospitals and hospitals with university clinics were separated and integrated into the university's overall budget. As the responsibility for accounting and supervision of the clinics remains in the hands of the cantons, the university accounting presented here does not consolidate the operational assets, capital and performance figures of the university hospitals (including the Department of Clinical Research) or the hospitals with university clinics, the Institute of Forensic Medicine or the university's Center for Dental Medicine Basel (UZB). From the 2007 fiscal year, the services rendered for the Faculty of Medicine are financially compensated (UZB from 2016), thus constituting a purchase of services on the part of the university from the hospitals. As in the past, their SNSF research funds and

individual grants in the area of external funding are integrated in the university's management of SNSF funds and external funding and are part of the university's annual financial statement.

Receivables and liabilities with respect to the two cantons are reported as "Receivables/liabilities due from affiliates". The financial involvements within the university have been eliminated.

University accounting practices

When the State Agreement came into effect in 2007, a significant change was made to the funding bases for the university. The new equal sponsorship of the university by both of the Basel cantons introduced new accounting requirements. The following describes the university's accounting principles required by the State Agreement, which have been fully adhered to since 2007.

Accounting principles

The university gaining its autonomy in 1997 resulted in strict accounting requirements. For this reason, as part of the effort to provide affiliates as well as third parties with open and transparent accountability for the funds entrusted to the university, the university's accounting in the subsequent years was gradually modified to comply with current and recognized accounting principles such as those defined in the specialized accounting recommendations (Swiss GAAP FER). The equal sponsorship of the university by the two Basel cantons from 2007 was accompanied by additional changes to the accounting practices, which has further increased the already high standards in terms of transparency. The accounting standards introduced at the university are described below, with the primary goal being to realize the principle of a "true and fair view":

- Clear structure of the annual financial statement, consisting of a revenue and expense income statement, investment- and financing-appropriate balance sheet as well as notes with additional remarks on the annual financial statement that include regrouping of the funds and foundations of the university with respect to earmarking and availability.
- Appraisal of the university's own properties and other properties used for university purposes at acquisition costs minus the economically necessary adjustments. The revaluation reserves resulting from the initial inventory are reported as committed reserves and are adjusted annually by the result from capitalizations and write-offs (federal subsidies, real estate fund contributions, third-party contributions).

- Assessment of operational facilities with respect to acquisition costs less economically necessary adjustments. The revaluation reserves resulting from the initial inventory are reported as committed reserves and are adjusted annually by the result from capitalizations and write-offs.
- University contributions in the area of upkeep and development of cantonal properties are treated as investment contributions by the university and are therefore not capitalized. In the domain of properties belonging to the university and properties used for university purposes, the value-enhancing investment contributions in the area of upkeep and development are capitalized and written off in accordance with the capitalization rules.
- Property that is not used for university purposes but where the rental income fulfills foundational or fund purposes (e.g. payment of grants) is allocated to financial assets, valued individually at the current market values, and carried forward to its lower book values in line with the principle of prudence.
- Valuation of financial assets at market values.
- Compliance with the gross assets principle (reporting gross investment income and its use according to the resolution passed by the University Council for the distribution of profits within the scope of the Swiss National Science Foundation and external funding administration of the university). Value adjustments are built up or liquidated in the amount of unrealized exchange gains/losses in the income statement and allocated to the centrally managed reserve for market risks.
- There is an allocated reserve for investment risks, taking into account the risk structure of the financial investments. This includes the value adjustments for unrealized capital gains and can be additionally accumulated for adequate protection against market risks from the effective investment income.
- Shares are valued at their acquisition cost.
- Operational stocks are valued according to the lowest value principle.
- Liquidity encompasses cash in hand, postal account and bank balances as well as cash equivalents with a remaining maturity of at least 90 days. They are appraised at their nominal value.
- Balance sheet reserves are formed when an event creates a probable liability before the balance sheet date and for which the amount and/or due date is uncertain but can be estimated. Balance sheet reserves are assessed at their nominal value.

- Reporting of deferred income and expenses on an accrual basis.
- Formation of reserves for university-internal awards that involve commitment or earmarking of own resources according to the financial regulations:
 - For unused funds from appointment awards
 - For approved earmarking from budget carry-overs of the organizational units
 - For committed awards of the University Council.
- Based on a segment statement detailed in the university’s report and application to its supporting cantons for the 2018-2021 performance period, a reserve has been in place for “real estate” since 2018. This separates income and expenses into “real estate” and “teaching and research” as relevant. This segment accounting allows for better control and increases transparency with regard to the funding of real estate costs. It is intended to prevent cross-subsidization between the areas of teaching & research and real estate. Surpluses or deficits in real estate need to be offset annually.
- The organizational units have submitted a declaration of completeness and thus confirmed that they have reported all relevant transactions to the central authorities. In the course of reasonable efforts taken on the part of the university administration, this makes it possible to establish that the criteria for completeness have been met on the reporting date, especially with respect to the scope of consolidation and recording of the external funds received.
- Small rounding differences may result because values are rounded off in the annual financial statement.

It should be noted that the overall picture of the annual financial statement is a comprehensive material representation of the activities of the university, in particular the income statement.

Risk management and the internal control system of the university

Principles and concept

The University Council and the President's Board of the University of Basel are responsible for establishing and maintaining a risk management system and reasonable internal checks. The internal control system (ICS) of the university was designed to provide the University Council and the President's Board with an appropriate level of dependability in financial reporting as well as for the creation and presentation of the published annual financial statement reflecting the actual circumstances.

In addition to the control measures described on the level of the university at large, the internal control system of the university includes guidelines for risk assessment and a list of numerous checks on the process level that have already been implemented for several years now. Based on this concept, the Office of the Executive Director created a documented risk control matrix for the key financial risks in 2009 and worked out the necessary checkpoints. The documented and evaluated processes are summarized in nine core processes. The signature authority and accounting controls are uniformly formalized and standardized across the university.

In close cooperation with the University Council, the President's Board has also developed a comprehensive risk assessment procedure and university risk profile in order to document both financial risks and the key risks for the university and to set out any necessary measures. The University Council has acknowledged this very comprehensive work and commissioned the President's Board with implementing the necessary measures.

The President's Board regularly reviews, at least every two years, the risk assessment report and the prepared university risk profile in order to identify new key risks for the university and to take any necessary measures in a timely fashion on the basis of this report. The results from these audits are presented to the University Council in a risk report.

Due to the highly complex implications and the necessary differentiated view, the associated work in the line constitutes a permanent process in which both the university's procedures as well as the implemented control activities are continuously reviewed, updated or modified if necessary.

Statistical data 2020

Financial performance figures from the departments and service divisions (revenue)

CHF thousand	Contributions state sponsors Statement 2020	Financial awards SNSF third parties Statement 2020	Fees Services Other revenue sources Statement 2020	Total Revenue Statement 2020	Total Revenue Statement 2019
Departments					
Theology Studies	3,372	2,037	99	5,508	6,367
Law	10,921	945	607	12,474	13,285
Biomedicine	19,146	14,807	974	34,927	38,539
Sport, Exercise and Health	5,286	2,327	534	8,147	8,310
Public Health	2,746	3,359	1,223	7,328	8,251
Biomedical Engineering	2,259	4,835	460	7,554	7,302
Teaching and research (university clinics) ¹⁾	91,034	21,757	1,397	114,188	112,518
Medicine, unallocated	7,736	722	31	8,490	8,418
Foreign Languages and Literary Studies	10,340	3,725	29	14,093	14,011
Studies of the Ancient World	3,807	3,326	81	7,214	6,361
Social Sciences	7,458	4,711	72	12,241	11,188
History	4,197	3,406	1,050	8,653	8,376
Arts, media and philosophy	6,293	2,795	49	9,137	9,297
Humanities, unallocated	4,037	2,158	192	6,387	5,871
Physics	12,267	18,230	1,545	32,041	29,117
Environmental Sciences	18,095	6,021	1,958	26,073	27,359
Mathematics and Computer Science	7,686	3,810	331	11,826	13,837
Chemistry	14,903	16,582	709	32,194	29,228
Pharmacy	11,213	3,610	466	15,290	16,154
Biozentrum	38,948	22,419	1,841	63,208	55,720
Natural Sciences, unallocated	1,084	1	0	1,085	1,285
Economics	10,552	9,391	655	20,597	21,206
Psychology	10,078	4,118	1,675	15,870	16,170
Institute for European and Global Studies	1,826	772	8	2,606	2,675
Institute for Biomedical Ethics	774	746	14	1,534	1,383
Center for Philanthropy Studies	251	568	552	1,371	1,483
Institute for Educational Sciences	803	591	1	1,395	1,063
Service divisions					
University Library	23,406	1,067	3,694	28,167	27,186
IT Services	18,092	30	142	18,264	17,650
University administration	32,709	1,669	2,011	36,389	34,296
University-wide, unallocated ²⁾	131,567	33,453	38,599	203,618	222,609

CHF thousand	Contributions state sponsors Statement 2020	Financial awards SNSF third parties Statement 2020	Fees Services Other revenue sources Statement 2020	Total Revenue Statement 2020	Total Revenue Statement 2019
Summary by faculty					
Faculty of Theology	3,372	2,037	99	5,508	6,367
Faculty of Law	10,921	945	607	12,474	13,285
Faculty of Medicine	128,207	47,808	4,618	180,633	183,338
Faculty of Humanities and Social Sciences	36,132	20,119	1,473	57,724	55,104
Faculty of Science	104,195	70,673	6,849	181,717	172,700
Faculty of Business and Economics	10,552	9,391	655	20,597	21,206
Faculty of Psychology	10,078	4,118	1,675	15,870	16,170
Interdisciplinary units	3,655	2,677	574	6,906	6,604
Service divisions	74,207	2,766	5,847	82,820	79,132
University-wide, unallocated ²⁾	131,567	33,453	38,599	203,618	222,609
	512,884	193,987	60,995	767,867	776,514

1) The third-party awards reported for the university clinics essentially only include awards from the Swiss National Science Foundation that were processed and posted by the university authority responsible for administration of the contributions. The other external funding in the area of teaching and research in clinical medicine is granted directly to the individual clinics.

2) Unallocated university-wide figures include the public contributions that are not allocated directly to the organizational units, project funds that have not been finally allocated and tuition fees.

Financial performance figures from the departments and service divisions (expenses)

CHF thousand	HR costs Statement 2020	Misc. Expenses Statement 2020	Depreciation fixed assets 2020	Total Expenses Statement 2020	Total Expenses Statement 2019
Departments					
Theology Studies	5,751	298	52	6,101	6,002
Law	11,456	887	130	12,473	13,386
Biomedicine	23,757	8,163	2,648	34,569	36,581
Sport, Exercise and Health	6,239	1,002	334	7,575	7,653
Public Health	5,862	1,278	26	7,166	7,349
Biomedical Engineering	5,822	465	678	6,964	7,186
Teaching and research (university clinics) ¹⁾	16,146	97,899	165	114,211	112,945
Medicine, unallocated	5,219	3,145	160	8,524	8,408
Foreign Languages and Literary Studies	13,502	517	225	14,245	14,197
Studies of the Ancient World	6,041	569	144	6,754	7,221
Social Sciences	10,521	831	175	11,526	11,524
History	7,786	749	94	8,629	8,035
Arts, media and philosophy	8,319	423	135	8,877	9,224
Humanities, unallocated	7,225	794	188	8,206	7,234
Physics	20,742	4,851	3,201	28,794	26,915
Environmental Sciences	22,247	2,641	1,486	26,373	25,882
Mathematics and Computer Science	11,345	474	283	12,102	11,676
Chemistry	23,361	4,911	3,549	31,822	30,711
Pharmacy	12,591	2,488	1,048	16,127	15,589
Biozentrum	42,245	8,548	6,272	57,065	59,934
Natural Sciences, unallocated	726	90	5	822	760
Economics	14,805	5,505	180	20,490	21,066
Psychology	13,427	1,590	438	15,455	16,371
Institute for European and Global Studies	2,298	270	23	2,590	2,322
Institute for Biomedical Ethics	1,296	129	17	1,442	1,440
Center for Philanthropy Studies	1,073	237	12	1,322	1,378
Institute for Educational Sciences	1,133	96	1	1,229	1,103
Service divisions					
University Library	17,597	10,215	420	28,233	26,390
IT Services	12,360	5,581	1,253	19,195	18,198
University administration	30,641	5,080	662	36,383	35,483
University-wide, unallocated ²⁾	32,220	176,338	3,864	212,422	224,193

CHF thousand	HR costs Statement 2020	Misc. Expenses Statement 2020	Depreciation fixed assets 2020	Total Expenses Statement 2020	Total Expenses Statement 2019
Summary by faculty					
Faculty of Theology	5,751	298	52	6,101	6,002
Faculty of Law	11,456	887	130	12,473	13,386
Faculty of Medicine	63,046	111,952	4,010	179,008	180,121
Faculty of Humanities and Social Sciences	53,393	3,883	962	58,238	57,436
Faculty of Science	133,257	24,004	15,844	173,105	171,467
Faculty of Business and Economics	14,805	5,505	180	20,490	21,066
Faculty of Psychology	13,427	1,590	438	15,455	16,371
Interdisciplinary units	5,799	732	52	6,584	6,243
Service divisions	60,599	20,877	2,335	83,811	80,071
University-wide, unallocated ²⁾	32,220	176,338	3,864	212,422	224,193
	393,753	346,067	27,867	767,687	776,355

1) Teaching and research (university clinics) contains remuneration for teaching and research at the university hospitals in the amount of CHF 90.8 million (previous year CHF 91.5 million).

2) The figure "University wide, unallocated" includes central personnel costs (e.g. pension inflation, social allowances, substitutes for vacant professorships, restructuring of the pension funds), the real estate fund, the liquidation/allocation of unused project funds, Unisport, skuba, avuba, expenses from federal programs (e.g. career advancement), basic rent for use of cantonal properties belonging to the Canton of Basel-Stadt, premises costs for energy, third-party rent and cleaning, and the formation of reserves for earmarked budget carryovers.



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