

BY FAX & MAIL

香港城市大學
City University
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11 July 2003

Ms Dora Wai
Public Accounts Committee
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong

唐叔賢 教授
副校長(學術)
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Dear Ms Wai

**The Director of Audit's Report on the result of value for money audits (Report No. 40)
Chapter 8 : University Grants Committee funded institutions –
Governance, strategic planning and financial and performance reporting**

Thank you for your letter of 27 June 2003 seeking further information on the attendance rate of the Council members. The information required is provided in the proforma attached to your letter.

With regard to the concern of the Public Accounts Committee on the balance in the external and internal membership of the Council and their participation and contribution to discussion and decision making by the Council, I would like to provide the following information and observations.

As you have mentioned, the University Ordinance stipulates that there should be a majority of external members in the Council. According to the Ordinance, the Council comprises a maximum of 14 internal members including the President, 18 lay members, the President of the Students' Union and the Chairman of the Convocation. All lay members are drawn from industry, commerce, the professions and a wide spectrum of the community and are appointed by the Chief Executive. The University is happy that it can seek advice and expertise from the lay members' on a range of issues and their support related to the activities and development of the University.

The University is well aware of the importance of good governance and believes that the participation and input from lay members is crucial to this. The Council conducts its business through its own meetings and those of the Executive Committee and other Council Committees. The Council has established standing committees to oversee and scrutinize issues of a strategic nature related to the University in the area of financial management, campus development and planning, human resources policy and terms and conditions of services and external relations and donations. These committees meet at regular intervals and are chaired by external Council members and other external Council members also serve on them. The proposals and decisions from these committees are presented to the Executive Committee and/or the Council for approval or information. The Executive

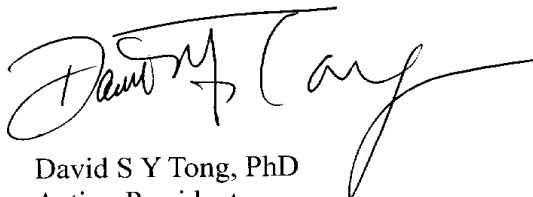
Committee which comprises the chairmen of the Council Committees meets five times a year and act on behalf of the Council when there are no Council meetings. This tiered committee system has worked very well and ensures that proper debate on important issues can take place. External Council members will provide input and ideas and contribute to thorough deliberation of issues and proposals. This mechanism ensures that proposals and recommendations presented to the Executive Committee and the Council are duly examined and considered and consultation within and outwith the University sought as and when appropriate. In our experience, the committee structure effectively prevents Council from relying heavily on internal members in taking decisions on major issues.

The University also benefits substantially from the participation and involvement of external members in activities and events outside the formal committee structure. We are able to obtain professional advice freely on a number of issues and their support for University developments such as the student hostel fund raising initiatives.

The Public Accounts Committee may wish to note that in response to Lord Sutherland's Report of the UGC, the Council has established a Review Committee on University Governance and Management in November 2002 to look into the issue of governance. The Review Committee will examine, inter alia, the composition and size of the Council and aims to submit its recommendations to the Council for consideration in its November meeting.

I hope you would find the information provided useful for your purpose. Should you require further information, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David S Y Tong', with a long, sweeping flourish extending to the right.

David S Y Tong, PhD
Acting President

Encl

cc Secretary to Council

Name of institution: _____ City University of Hong Kong _____

Attendance rates of external and internal members at Council meetings

Date of meeting	Total no. of Council members	External member		Internal member		
		No. of external members present at the meeting	$\frac{\text{No. of external members present at the meeting}}{\text{No. of Council members present at the meeting}} \times 100\%$	No. of internal members present at the meeting	$\frac{\text{No. of internal members present at the meeting}}{\text{No. of Council members present at the meeting}} \times 100\%$	
2000-01 (July 2000 to June 2001)						
(1)	27 Nov 2000	31	10	42%	14	58%
(2)	26 Mar 2001	30	14	50%	14	50%
(3)	26 June 2001	32	11	44%	14	56%
2001-02 (July 2001 to June 2002)						
(1)	26 Nov 2001	31	15	58%	11	42%
(2)	15 Apr 2002	33	15	52%	14	48%
(3)	24 June 2002	32	11	48%	12	52%
2002-03 (July to November 2002)						
(1)	25 Nov 2002	31	9	39%	14	61%

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