

26 June 2003

Dr Honourable Yeung Sum
Chairman
Panel on Education
Legislative Council
Legislative Council Building
8 Jackson Road
Central, Hong Kong

Dear Dr Yeung,

Thank you for your letter of 5 June 2003 inviting me to attend the special meeting of the Panel on Education scheduled for the 30th June 2003 to discuss the future provision of Associate Degree (AD) programmes at the University. I understand that Mr John Dockerill, Secretary of the University Council, has already written to inform Miss Flora Tai that I will be attending the meeting together with the University Vice President for Administration, Professor Y S Wong, as part of the UGC team. Ms Beatrice Lee, the Assistant Secretary to Council, and Mrs Betty Chan, the Director of the Public Affairs Office, will also attend as resource persons.

As you are aware, the recommendation of the University Management Board, the senior management group within the University, in response to Government's decision to withdraw funding of 13 AD programmes, most of which are operated through the College of Higher Vocational Studies of the University, has caused some discomposure among our College staff and students. The matter was also widely reported in the media. In order to give Members of the Panel a full understanding of the issues involved, I am enclosing some background information material which will hopefully facilitate the Panel's discussion in the proper context.

I would also like to take the opportunity to explain to the Panel that Government's decision to withdraw funding of the majority of AD programmes offered by the University has demonstrably forced upon the University a very difficult situation. It has seriously affected the ability of the University to fulfill its education mission and discharge its contractual and moral obligations towards the College staff, all of whom have made significant contributions to the University to help it fulfill its role as given by the Government.

The University Council has formed a working group comprising members of the University Council, the University Administration and College staff to study the financial viability of offering self-financing AD programmes, with a view to finding a win-win solution for both the University and the College staff. However, as the University continues its efforts to identify the best way forward, the assistance of the Government as represented by its various departments in providing the University the necessary land and financial resources to build a new self-financing community college and provide the College staff with a reasonable compensation package is critical and indispensable.

Yours sincerely,

Norman Leung
Chairman of the Council

cc: Mr Peter Cheung, Secretary-General of UGC

Enclosures: (1) Submission to the 30th June 2003 Meeting of the Education Panel of the Legislative Council
(2) 關於城大高級專業學院副學士學位課程被政府削減資助的一些指稱及其事實
(3) 城大有關副學士學位課程的新聞通告

City University of Hong Kong

Submission to the 30th June 2003 Meeting of the Education Panel of the Legislative Council

Withdrawal of UGC Funding for City University Associate Degree (AD) Programmes

1. The UGC has notified the University of its final decision to retain funding for only six of City University's 19 AD programmes which are currently funded by the UGC and operated mainly through the University's College of Higher Vocational Studies (the College). The UGC has suggested the University to consider converting the other 13 programmes to operate in a self-financing mode within an accelerated time frame of four years from 2004 to 2008. Against the background of concerns of the College staff, the Management Board of the University held a special meeting on the 14th May 2003 to consider the impact of this change of UGC's funding policy on the future operation of the University's AD programmes and the allocation of University resources to support its academic work in fulfillment of its roles and mission as given by the Government.

Considerations of the Management Board

2. The Management Board had been discussing the future of the AD programmes and the College for some considerable time. The University Senior Management had also been monitoring the development closely, particularly after receipt of the UGC's letter of the 27th February 2003 on the proposed schedule of retreat of funding for CityU AD programmes, and communicating with the College administrative and senior staff, as well as the Concern Group on College Issues. The latter was formed under the Staff Association of the University comprising representatives from different categories and grades of staff in the five Divisions of the College. In deliberating the way forward for the 13 AD programmes concerned, the Board took into consideration the following developments over the past three years:
 - (a) communications with the College leadership group and their staff representatives,
 - (b) strenuous efforts of the University to appeal to the UGC for retention of funding and a prolonged transition period for the AD programmes, and
 - (c) unsuccessful attempts of the University to apply for a campus site to start a new community college for accommodating self-financing AD programmes.
3. The Board examined the possibility of continuing to offer these 13 programmes on a self-financing basis, and concluded that this would not be financially viable. Without Government's support for land and infra-structure provisions, and with UGC's strict injunction against cross-subsidy, it would be difficult for the University to convert these programmes to be truly self-financing at a quality level comparable to that of the existing ones and competitive enough to survive

in the market, even if the staff members concerned were willing to accept a much reduced remuneration package.

4. **Detailed background information on the issues relating to the conversion of the 13 UGC-funded AD programmes to self-financing is provided in Appendix I.**
5. For the University not to follow the UGC's final decision on the withdrawal of funding and to continue to run these 13 AD programmes as they are currently constituted would be to spread the loss of UGC funding across the other operations of the University. The Board therefore came to the view that the University should re-focus its energy in meeting the challenges of severe financial constraints to be imposed by the UGC in the next few years, and allow these programmes to run their natural course and be phased out according to UGC's schedule of funding withdrawal.
6. Nonetheless, the Board agreed that this strategic direction should not be viewed as the University giving up its role as a provider of market-driven, educationally sound and financially viable self-financing AD programmes in the future. However, these would be of a different nature to the existing programmes and would provide a different educational experience for the students, comparable to that provided by the other AD providers. Also, the School of Continuing and Professional Education under CityU Extension should not be precluded from seeking to expand its post-secondary education programmes including AD offerings.
7. On the basis of the above consideration, the Board resolved:
 - (a) not to contest UGC's decision to withdraw funding of the 13 AD programmes and, upon cessation of funding, not to offer these exact same programmes on a self-financing basis;
 - (b) to recommend to Council, as a result of (a), to phase out the 13 AD programmes according to UGC's schedule of funding withdrawal; and
 - (c) to further study the feasibility of offering self-financing sub-degree programmes in a different context.

Impact on Students

8. The University Senate is the supreme academic body of the University responsible for the planning, development and maintenance of the academic programmes offered by the University. The University statutes also specify that Senate approval is required for the discontinuation of individual programmes. A paper on the future of the programmes from which UGC funding is to be withdrawn, including both the postgraduate and AD programmes concerned was put to Senate at its meeting on the 27th May 2003. The paper included the above resolutions of the Management Board. However, due to a plea from the President of the Students' Union and from the College staff to postpone discussion on this item, the Senate resolved to defer deliberations on the section of the paper

concerning AD programmes until its next meeting to be held on the 21st October 2003.

9. Meanwhile, Senate noted that the University will ensure that existing students and new students who will be enrolled in the 13 AD programmes will not be affected, and that the academic quality of these programmes will remain at a high standard during the transition period until the last cohort of students graduate.

Impact on Staff

10. The Management Board was concerned that the College staff would be seriously affected by the UGC's removal of funding support for the AD programmes. In pursuing the plan to establish a reconfigured operation to offer AD programmes in the self-financing mode, the College staff have realised the need to accept a substantial reduction in their remuneration package if the University is to offer them continued employment through a transfer to the new set-up. The Board however observed that it might be to the advantage of some of these staff to take a severance package from the University and seek other employment opportunities, including with CityU, in the transition period. The President therefore wrote to the UGC Chairman on the 15th May 2003 to seek Government's assistance in providing the College staff with a reasonable compensation package as a result of the running-down arrangement of the 13 AD programmes forced upon the University by the UGC.
11. The Board also agreed that the University should continue to explore opportunities to re-engage those College staff affected. This re-hiring would be on an individual basis and at salary scales affordable by the University, since an en bloc transfer or re-engagement arrangements for the whole group was considered impractical without risking the resources provided by the UGC for the remainder of the University's educational mission.
12. In this regard, the Management Board resolved:
 - (a) to identify ways to redeploy the affected staff of the College in other positions of the University as far as possible, and
 - (b) to seek Council's approval of a severance package for the affected staff, the terms of which would be subject to the availability of support from the Government.

Views of the Executive Committee

13. In view of the fact that funding of two of the 13 AD programmes will be withdrawn as early as in the 2004/05 financial year, there is an urgency to follow up on the Management Board's resolution as stated in paragraph 7(c) above in order to establish the feasibility and the context under which the University may continue to offer self-financing AD programmes. The President therefore recommended to the Executive Committee of the University Council, at its meeting held on the 29th May 2003, that a working group of Council be established to look into this and to examine the financial viability of offering

self-financing AD programmes. The Executive Committee also suggested the following composition for the Working Group:

- (a) three external Council Members, one to be appointed as Chairman;
- (b) two representatives of the management of the University; and
- (c) two elected members from, and by, the staff of the College.

14. In relation to the Management Board's resolution as stated in paragraph 12(b) above, the Executive Committee also agreed that the University should seek funding from the Government for a compensation package for the affected staff in the College.

Views of the Save the College Action Group

15. Submissions from the Concern Group on College Issues, as given in Appendix II, were communicated to, and considered by the Management Board. Subsequently a Save the College Action Group was formed. The Chairman of the University Council met with representatives of the Save the College Action Group and invited them to submit a paper to the Council outlining their proposals for the future development of the College. The paper from the Save the College Action Group is attached at Appendix III.

Resolutions of the University Council

16. The Council of the University met on the 23rd June 2003 and considered the above resolutions of the Management Board, the views of the Executive Committee and the views of the Save the College Action Group. It was resolved that a working group will be formed to study the financial viability of offering self-financing AD programmes, with the membership as recommended by the Executive Committee in paragraph 13 above. The working group will be chaired by Mr Chung Shui-ming, the Treasurer of the Council. The other two external members of Council will be Ms Marina Wong and Mr Edward Cheng. The two representatives of the management of the University and the two elected members from and by the staff of the College will be announced in due course.
17. The Council also resolved that the University should seek Government's assistance in providing a reasonable compensation package to the College staff who will be affected by the UGC's decision to withdraw funding for the AD programmes.

Background Information on Issues relating to the Conversion of UGC-Funded Associate Degree (AD) Programmes to Self-financing

A. The Role of CityU as defined by UGC Funding

1. CityU is a public higher education institution funded by the UGC (University Grants Committee, formerly known as the University and Polytechnic Grants Committee). One of CityU's roles as currently seen by the UGC for assessing its academic plans and cost estimates is
 - **To offer a range of courses leading to the award of ADs and First Degrees.**
2. Within this role, **the ratio of UGC-funded student numbers** for sub-degree programmes (including the Higher Diploma and Diploma programmes before their conversion to AD programmes in 2000) and First Degree programmes **has been changing from a strong bias towards sub-degree programmes to a reversed bias towards First Degrees –**
 - **100% sub-degree when CityU was first established as City Polytechnic in 1984**
 - 85% sub-degree when CityU first admitted undergraduate students in 1986
 - 50% sub-degree when the UGC expanded the First Year First Degree places in the early 1990s
 - 35% when CityU was granted university status in 1994
 - **10% when the UGC will have completed its schedule of withdrawing funding of 13 CityU AD programmes in 2008**

B. Change in the UGC's Funding Policy for the AD Programmes

3. The change in the UGC's funding policy for ADs is a result of the Higher Education Review conducted by the UGC. In the UGC's *Report on Higher Education in Hong Kong (Sutherland Report)* released in November 2002, a major recommendation was for **the majority of AD activity to go self-financing**. This was based on the evidence elsewhere that private sector providers focus on programmes that offer a higher market volume and which are low cost. (*para. 2.19*)
4. The following were the guiding principles specified by the UGC for judging whether an AD programme would continue to be funded:
 - (a) The three exemption criteria as suggested by the UGC in the Higher Education Review:

- Programmes that require high start-up and maintenance costs or access to expensive laboratories/equipment,
 - Programmes that meet specific manpower needs, and
 - Programmes that can be regarded as endangered species (i.e. those that lack market appeal to the provider and the average student, such as pure arts or science).
- (b) **Programmes with comparable alternatives on the market, including those offered by the continuing education arms or community colleges of UGC-funded institutions, should go first.**
- (c) Programmes proposed for conversion to self-financing by the institutions should go first.
5. According to the above principles, 13 of CityU's 19 AD programmes currently funded by the UGC will be phased out of UGC funding support according to the schedule below:

2004/05	#AA General Studies
	ABA General Management
2005/06	ABA Electronic Commerce
	ABA Accountancy
	ABA Financial Services/ABA Financial Services (Banking)
2006/07	ASocSc Community Services
	ASocSc Public Administration & Management
	AA Translation & Interpretation
	AA English for Professional Communication
	AA Applied Chinese Studies
	AA Applied Japanese Studies
	AS Computer Studies
2007/08	Associate of Legal Studies*

AA=Associate of Arts; ABA=Associate of Business Administration;
AS=Associate of Science; ASocSc=Associate of Social Science

* Offered by the School of Law

6. The six AD programmes that will be retained on public funding are:

- i) AS Media Technology^Δ
- ii) AS Architectural Studies
- iii) AS Building Services Engineering
- iv) AS Construction Engineering and Management
- v) AS Surveying (Building Surveying/Estate Surveying/Quantity Surveying)
- vi) ASocSc Social Work

^ΔOffered by the School of Creative Media

7. It was re-iterated in the *Sutherland Report* that “any public sector funds used to support ADs and community colleges should be accounted for quite separately from any UGC funds to support degree level work, **and that there be no cross subsidy**. This ring-fenced separation is needed to provide a level playing field for all providers of ADs, be they current or potential, private or public”. (para. 2.22)
8. In support of greater participation in post-secondary education and in order not to dilute the responsibilities of the UGC for all work at degree level, the Government has established the **Manpower Development Council (MDC)** with a view to eventually taking over from the UGC the responsibilities governing ADs. **It is expected that the six CityU AD programmes to be retained on public funding will be transferred to the MDC in due course.**

C. CityU’s Efforts to Tackle the Difficult Situation Spurred by UGC’s Policy Change

9. The University had, on various occasions, **appealed to the UGC for retention of funding for the AD programmes and a six-year transition period with stable funding**, including
 - the University’s response in May 2002 to the UGC’s Higher Education Review, urging for the retention of public funding for ADs on the basis that the equity of access to and the maintenance of high quality AD programmes rely on public support;
 - the University’s response in March 2003 to the UGC’s proposed schedule of withdrawal of funding for CityU’s AD programmes, trying to convince the UGC to continue to fund certain AD programmes and to adopt a prolonged transition period to minimize the impact on CityU’s staff and students; and
 - the subsequent meeting of the College leadership group with the UGC’s panel on the matter.
10. Owing to the strenuous efforts made by the University, the **UGC eventually decided to retain funding for six of CityU’s AD programmes instead of three**. The UGC also asked the University to consider converting the other 13 programmes to self-financing within **an accelerated time frame of four years from 2004 to 2008 with decreasing funding**.
11. Despite difficulties and uncertainties along the way, the University had also attempted, as stated in the University’s Strategic Plan 2003-2008, to develop the College into a financially viable community college to accommodate the conversion of the AD programmes to self-financing. Such efforts included the

submission of **three applications to Government for a separate campus site at the existing premises of the Tak Chee Yuen Staff Quarters, at a site in Tsing Yi** and most recently at a **site in Shek Mun**, on which to build the new community college. Unfortunately, the Government departments concerned had not approved the University's applications.

12. The University had looked at **the possibility of continuing to house the self-financing AD students on the main campus**. However, this would perpetuate the current overcrowding situation. Also, with the high costs associated with the infrastructure of the University it would have been extremely difficult, if not impossible, to reduce the on-costs without introducing a substantial element of cross-subsidy from the other UGC funded activities.
13. **The alternative of renting and converting space available in the market** had also been considered. Yet, the educational environment in such premises with rents affordable by the University was not regarded as able to support AD programmes of comparable quality to those currently funded by the UGC.

D. The Financial Realities

17. The most daunting challenge faced by the University in the offer of self-financing AD programmes is securing financial viability, which means, essentially, to bring down costs to a level where the incomes can cover the expenses.

(a) The Cost Structure

Currently the estimated unit cost for a UGC-funded AD student is around **\$95,000 per year**, with breakdown as follows:

- some \$50,000 is spent on the College itself, mainly for staff salaries and the rest to cover non-staffing items such as equipment, office expenses and consumables;
- the other \$45,000 or so contributes towards the maintenance of the University's infrastructure, for example, the library, IT and sport facilities as well as paying utilities and administrative support services, such as payroll management, financial services, admission, registration, student records, student development services. These expenses, in which more than 70% goes to staff costs, relate to the physical ambiance of a quality education for the AD students.

(b) Staff Remuneration Packages

With UGC's funding support, the University has been able to offer attractive terms and conditions of employment and recruited and retained a

team of experienced and well-qualified staff to teach the AD programmes. The current staffing cost commitment of the College is as follows:

- 40% of the College teaching staff is on Principal/Senior Lecturer grades with salaries ranging from \$57,730 to \$82,390 and 60% on Lecturer/Assistant Lecturer grade ranging from \$23,335 or \$50,370;
- 75% of them is on superannable terms of employment (i.e. continuous employment until retirement) and 25% on fixed-term contracts; and
- 79% of them is eligible for housing benefits and 70% is actually drawing the benefit.

(c) Tuition fees

Tuition fees will be the only income for self-financing programmes. The College is currently charging \$45,000 per student per year for the self-financing AD programmes run in the Telford Annex of the University. Other major AD providers are charging \$38,000 to \$50,000 per student per year. This range of tuition fees is not able to support the cost structure and staffing cost commitment of the 13 AD programmes as they are currently constituted.

(d) Accuracy of Projected Student Enrolment

As the tuition fees for self-financing programmes will be higher than those charged for the 13 AD programmes offered under UGC funding (\$31,575 per year), it is difficult to tell with certainty that these exact same programmes, as they are currently constituted, will continue to meet the market need and be able to achieve a market share to sustain the self-financing operation.

**City University of Hong Kong Staff Association
Concern Group on College Issues**

**Principles for consideration by the Management Board
(extracted from the Position Paper presented to the President for consideration
on April 22 2003)**

1. The University should press for a long lead-in to the withdrawal of funding for AD programmes. The University should also request the government for grants, although not necessarily at current rates, to support AD programmes. A reconfigured College would then have sufficient time to find its feet in the new environment of competition for students. This will help the Government to achieve its aim of raising the proportion of young people in further education from 18% to 60% (*Sutherland Report* p.3).
2. The University should actively plan for, and support, a financially viable College to continue to run AD/HD programmes and grant AD awards. Existing AD/HD programmes are well received and the *Sutherland Report* refers to them as potential “models of best practices in the sector” (p.12). The University has developed a brand name for AD programmes: if this were to be removed, any new entity would have great trouble attracting suitable students and staff.
3. The University should support the building of a designated College campus. It is the view of the Concern Group that campus life is essential for students’ whole person development. Facilities at the Telford campus are woefully inadequate and do not compare favourably to other AD providers. The CG appreciates that the University has bid for a site in Shek Mun but would like to see a contingency plan in case the bid is unsuccessful.
4. There should be smooth transition for self-financing AD programmes to phase in as UGC funded programmes to phase out. Pending the construction of the new campus, the College should still be able to use the main campus for teaching self-financing AD programmes.
5. College colleagues understand the difficulties caused by the withdrawal of funding and are willing to accept amended conditions of service, provided that the financial and other information, as well as the process of decision making, is made transparent. College staff (at all levels) should be involved in planning the future of the College, if only on the grounds that change which is imposed generally meets more resistance than that which comes from inside an organization.

There is a considerable degree of frustration among College staff at the moment deriving from the management's seeming failure to support the College, which, it should be remembered, is still a part of City University. There is also confusion about the ways decisions are being made and the kinds of factors being taken into consideration. We would therefore like a public statement of the following:

- Who (apart from John Dockerill) is actively involved in planning for the reconfigured College?
- What is the procedure and time frame for implementing a reconfigured College?
- What plans have been discussed already, and by whom? What was the outcome of these discussions?
- What steps have been taken to gather information on our competitors? The Division of Language Studies recently undertook research on the major providers of AD programmes, and is in the process of summarizing this information for onward transmission to the CEC. Preliminary findings suggest that other providers are able to offer substantially the same terms and conditions as are currently offered by CityU, without a major increase in workload. It was also quite evident that CityU is very late in planning for the change to self-financed status and has considerable catching up to do if we are to compete with our main competitors, who already have administrative and academic structures, and premises, in place. In short, other institutions are running viable and profitable businesses, so the College should not be viewed as a financial liability.

Concern Group on College Issues

May 7th, 2003

City University of Hong Kong Staff Association Concern Group on College Issues

Position Paper: the Future of the College

This paper outlines the position of the Staff Association's Concern Group on College Issues, with particular reference to the relationship between the College and the University as a whole.

The paper was prompted by discussions, in the Sutherland Report and elsewhere, about the funding of Associate Degrees, as well as the Government's decision to cut funding to the university sector.

The purposes of the paper are

- to summarise the position of College staff on key issues, as we understand them
- to seek clarification on certain matters of University policy
- to request the University's commitment to the College as it develops.

Transition to Self-financed status

We realize that this is inevitable for most existing programmes, and have the following suggestions and requests in light of this:

Time Frame

We recognize that this is largely beyond the control of the University, being dependent on the UGC's timetable. We urge you, however, to press for a long lead-in to the withdrawal of funding. The longer we have to plan, the more successful the plan will be; we will not then be unduly influenced by short-term cost considerations, for example.

Synchronisation

We understand that the UGC supports a smooth transition from funded to non-funded programmes. It would be desirable to replace existing programmes with self-financed ones immediately wherever possible so as to maintain stability and product consistency through a time of change. However it must be recognized that this will be easier for some programmes than for others. We therefore request that due consideration be given to the nature of each programme before it is transferred to self-financing mode. We also suggest that a contingency plan be drawn up in case a self-financing version of an existing programme cannot be introduced immediately.

Administration and structure

It would seem necessary to introduce revised administrative systems with a view to making the new College better able to plan and administer its own finances. We must stress, however, that this does not automatically lead to a SCOPE mode of operation, nor to a merger with SCOPE. We request that senior staff from the existing College be fully involved in any planning and decision making process which seeks to devise a business model or plan. There should be consultation and transparency throughout this process.

Relationship between College and the rest of the University

We are happy with the existing relationship, particularly the sharing of campus facilities and employment terms. The relationship has been developed over the past fifteen or so years and we feel that there are certain advantages to retaining the current arrangement. City University's reputation, and the way in which it meets the needs of the community, are enhanced by the College. Our programmes are well received and the Sutherland Report refers to them as potential "models of best practice" in the sector (p. 12). The ADs also provide a ready supply of future degree students whose experience of the College makes them well-disposed to the University as a whole.

We would like a commitment to the maintenance of this relationship. The fact is that a new College would find it very hard to survive without the backing of the University.

College location

There seem to be two viable options:

- New campus (possibly with satellite campuses)
- CityU campus, as now

At the time of writing, a decision on the University's bid for Government land in Shek Mun to build a new campus was still pending. A new site would be the best option for all parties, assuming the College incurred no capital costs as a result. Such a debt would be too heavy a burden to carry in the early years of a new College. The new campus would provide a base for College activities and could also be used for non-AD courses, assuming this is within the scope of the tender. You will recall that our chief 'competitor', the PolyU, has already made the commitment to a dedicated campus.

In the interim, the existing arrangement seems more feasible than the only alternative, the leasing of private office space. In feedback on courses, students regularly put 'campus ambience' at the top of their list of the benefits of studying at CityU; quite obviously, the same cannot be said of a commercial building. Again, various College brochures stress the benefits of campus life for students' whole person development. There can be no philosophical objection to maintaining the *status quo* since taught Masters courses and many SCOPE programmes are, and presumably will continue to be, taught on campus. There is also the issue of what would be an equitable distribution of those CityU assets which were funded by UGC money for College courses.

We urge you to publicly clarify the University's position with regard to a new campus site, outlining the steps which have been taken and are being taken now, to secure it and finance its development.

Employment

This Group supports the continued employment of existing staff, on existing terms where possible, by City University. Such stability would obviously assist in financial and human resources planning during the transitional period. At the very least, the Group would like to be involved in the development of any future financial models and business plans.

In short, we feel that we need an unequivocal and public commitment to pre-undergraduate education and to those members of staff who have worked so hard to make CityU's programmes so successful. We also need to feel part of the team which will take the College forward through this challenging transitional period. Only under these circumstances will College staff feel the commitment and confidence to help build a new College, a task which the vast majority of staff are eager to undertake. Time is of the essence. We need to act together, and act quickly, to secure the future of this vital and vibrant part of City University.

April 17th, 2003.

(sent by Concerned Group on 10 May 2003 to Internal Members of the University Council, whose majority are also Members of the Management Board)

Save the College Action Group
Paper for Consideration by City University of Hong Kong Council

This paper outlines several key factors that the Save the College Action Group wishes to discuss in relation to the College and how it can continue to offer associate degree (AD) programmes in line with the City U Mission.

- **Establishment of an autonomous, financially viable College**
In line with the University's Strategic Plan (2003-8, pg. 6) to establish an autonomous self-financing College, the Action Group wishes to present a proposal to help the University achieve its goal.
- **College proposal**
The *Proposal for a Financially Viable College* that was previously sent to Council members sets out the model we would like Council to consider. In that document, we propose establishing a new College which would encompass both a Community College for ADs and SCOPE, the University's continuing education unit. This is a model similar to that of Hong Kong Polytechnic University.
- **Campus site**
Because of the importance of campus life to young people - the main target students for the ADs - this Group feels that a campus site is essential if we are to continue to offer high quality programmes. The Group therefore urges the Council to support the search for suitable sites and to underwrite an interest-free loan from the Government.

In the interim period, we sincerely hope that programmes can continue to be offered on CityU campus, as explained by the President as the "fall-back UGC position" in the University Forum in October 2002.

- **Conversion of UGC funded associate degree programmes to self-financing**
While our existing programmes have been well received and have been enjoying high application-to-place ratios, the Group recognizes the need to review these programmes to meet the possible changing market needs when they become self-financing. In doing so, the existing rigorous quality assurance mechanisms will be followed. We are confident that the majority of our programmes, when converted into self-financing, will be able to command good student enrolment and subscription.
- **Development of terms and conditions of service under a new College**
In view of the financial constraints, College staff are willing to take a reduction in their remuneration packages based on the prevailing market rate for community colleges to reduce the staff costs. They are also prepared for heavier teaching hours, increase in class size to increase the efficiency of delivery. Factoring in staff attrition, reduction in staff remuneration, increase in workload and class size, it is anticipated that there will be a

substantial reduction in staff costs and increase in efficiency to make the new College financially viable.

For those College staff who are affected by the structural change, a compensation package should be made available, modeled on but not less than the existing package already approved by Council.

In summary, we urge the Council to reaffirm the University's commitment for a viable self-financing College and to support the conversion of UGC funded programmes to self-financing programmes in the new College, if the Working Group proves that it is financially viable. We also look forward to Council's support in setting up the Working Group to look into the financial viability of offering AD programmes on a self-financing basis, and Council's continuous support in acquiring a new campus site when it is proved to be a financially viable venture.

Wanda W Y LAU
Convenor
Save the College Action Group

May 27th, 2003.

關於城大高級專業學院副學士學位課程被政府削減資助的一些指稱及其事實

指稱	事實
<p>1. 校方管理層未有依照議事規則/大學規則，單方面決定停辦該 13 個受“撤資”的副學士學位課程。</p>	<p>在過去二、三年，校方一直有透過不同渠道與高級專業學院的管理層和有關人士或他們的代表，作出討論和溝通，加深他們瞭解副學位課程的最新發展，教資會的計劃，甚至共同策劃校方向教資會就副學士學位課程爭取有關事宜要作出的策略性回應。</p> <p>城大是在五月中接獲教資會有關於 2004/05 至 2007/08 年度逐步取消資助 13 個副學士學位課程的正式通知。事前校方亦已在管理議會中作出討論，故當收到正式通知後，校方便按大學一貫的常規運作，首先由大學管理議會深入討論教資會的指令，然後將管理議會的議決及建議交教務會及校董會確認。由於事關重大，校方遂將大學管理議會於討論完成後的結果及政府的決定向校內外公佈，校方認為這是增加透明度及務實的做法。此舉並讓校方有機會聽取更多各方人士的意見。</p>
<p>2. 城大管理層沒有與員工溝通，未有進行廣泛諮詢。校方亦拒絕與有關的同事溝通及會面，迴避查詢，和約見關注小組。</p>	<p>大學深明教資會的決定對受影響教職員帶來沉重打擊，大學對此亦深感難過，同時亦對某些同事的激烈反應表示理解及同情。大學一直希望能更多地與受影響的同事溝通商討，共同找尋解決方法。</p> <p>多年來，校方一直有透過不同渠道與高級專業學院的管理層和有關人士或他們的代表，作出討論和溝通。</p> <p>在 2 月下旬，當校方在接到教資會的建議撤資時間表後，大學校長及副校長曾與「城大副學士課程關注小組」及「城大高級專業學院行政委員會」同事見面商討。</p> <p>校方於 5 月中接到教資會的正式通知。管理議會隨即召開了一次特別會議，會後公佈有關消息。隨後，校長亦有約見關注小組，但未獲關注小組答允會面。</p> <p>在 5 月下旬，3 名副校長亦有出席城大學生會主辦的論壇，向同學和同事講述事件的發展經過。此外，唐叔賢副校長亦有接受兩家電台的邀請，在節目內回應主持人及出席嘉賓的意</p>

	<p>見。除電子傳媒外，他亦有就事件發展接受報章訪問。這都反映校方沒有迴避任何團體的查詢和溝通意圖。</p>
<p>3. 城大管理層未有盡力為興建社區學院而爭取位於青衣及石門等地段。</p>	<p>城大早於 2000 年年中組成策劃小組。就籌劃成立社區學院一事，小組於 2001 年 3 月完成德智苑改建為社區學院的計劃，可惜政府要求的補地價金額太高昂(港幣 12 億)，校方負擔不來。約在 2001 年年中，當時的高級專業學院院長何炘基教授率領院內同事與地鐵公司共同探討在青衣建立社區學院的可行性。然而因建築物的高度限制問題，建議最後並未能成功獲得城市規劃委員會通過。</p> <p>在 2003 年年初，城大向政府申請在石門的一幅官地興建社區學院。為加強校方對社區學院計劃的承擔，城大管理層向校董會行政委員會提出建議，並成功取得其支持及承諾作財政擔保，款項高達 3 億 5 千萬港元。校方於 2003 年 4 月接獲政府通知，知悉申請不被接納，惟有關部門並未有公佈詳細因由。</p>
<p>4. 城大放棄承擔副學士教育，並停辦所有副學士學位課程，把城大 10 多年來營辦副學士教育的經驗全盤推翻。</p>	<p>取消對城大大部份副學士學位課程的資助是大學教資會的決定，城大屢經努力後仍未能爭取到更多的副學位資助課程，城大校方對政府的決定一直表示極端的失望。城大所開辦的副學士課程，辦學及師資經驗豐富，成功為社會培育了不少優秀人才，成績是有目共睹。</p> <p>現時校方是遭受教資會逐步撤消撥款資助其中 13 個課程，而並非校方撤消資助。由於政府撤消了資助，校方是沒有能力在毫無政府資助的情況下繼續以現有的模式開辦該 13 個課程。</p> <p>校方管理議會雖然建議不可能用現有模式開辦該 13 個原先受政府資助的副學士學位課程，但這並不表示城大放棄承擔副學士教育。</p> <p>校方是會繼續探討用其他形式來開辦各種具市場需求而又能達至真正「自負盈虧」的副學士學位課程，以應香港社會所需。</p> <p>事實上，張信剛校長已向校董會建議成立一個工作小組，再次檢視以何種「自負盈虧」方式來開辦一系列副學士學位課程。</p>
<p>5. 校方除了停辦副學士課程外，亦會關閉高級專業學院。校方亦向為其副學士課程提供銜接的海外大學表示停辦該等課程。</p>	<p>校方管理議會雖然建議不可能用現有模式開辦該 13 個原先受政府資助的副學士學位課程，但這並不表示城大放棄承擔副學士教育。</p>

	<p>校方是會繼續探討用其他形式來開辦各種具市場需求而又能達至真正「自負盈虧」的副學士學位課程，以應香港社會所需。</p> <p>事實上，張信剛校長已向校董會建議成立一個工作小組，再次檢視以何種「自負盈虧」方式來開辦一系列副學士學位課程。</p> <p>因此校方從來沒有向為城大副學士課程提供銜接的海外大學表示停辦該等課程。</p>
<p>6. 城大事出突然停辦 13 個受“撤資”課程，令學生及畢業生的資歷不再受承認。</p>	<p>大學理解某些在校同學或畢業生擔心這 13 個課程的學術資歷會因將來停辦而受到影響。事實上，停辦任何課程都絕不會影響到經已畢業及現在正在修讀學生的資歷及認可性。因此，所有畢業生，目前在校同學及在過渡期入內讀的同學均毋須擔心。</p> <p>此外，大學亦已公開保證在過渡期保持上述課程的學術素質，維持原有的高水平，直至最後一批學生順利畢業。</p>
<p>7. 城大的副學士學位課程被政府“撤資”是因其課程質素欠佳所致。</p>	<p>教資會是基於 3 個準則而決定本港大學所開辦的副學士學位課程是否繼續受資助，它們分別是：開辦成本高昂及在營運上需高昂開支的課程、能提供社會有特別需要的專才的課程、以及在市場上缺乏吸引力而又對社會有存在價值的課程。城大部份現有副學士學位課程被政府取消資助，是教資會基於上述原則下所作出的決定，這並不表示城大現時所開辦的副學士學位課程素質，甚至師資，較其他本港大學的副學士課程遜色。事實上，城大所開辦的副學士課程，辦學及師資經驗豐富，成功為社會培育了不少優秀人才，成績是有目共睹。</p>
<p>8. 城大沒有盡力向教資會爭取保留政府資助的副學士學位課程。</p>	<p>校方曾就政府削減對城大副學士學位課程的資助，以不同方式與教資會進行爭取。除要求教資會繼續給予資助，使該等課程能得以延續外，亦商討將過渡期延長，以減低對教職員及學生的影響。惟幾經努力後城市大學最終只能爭取到繼續獲教資會撥款資助的課程由 3 個增加到 6 個。</p> <p>由於屢次爭取未能完全成功，校方唯有去信教資會，要求政府撥出專款，以便為因政府停止資助而要離職的同事安排一個合理及妥善的補償方案。誠然，城大高級專業學院現正面對一項重大難題及挑戰，但校方承諾必定竭盡所能，為受影響的員工作出合理的安排。</p>

<p>9. 校方認為只有與校外進修部以「自負盈虧」方式合辦新的副學士學位課程，是走向教育商品化。</p>	<p>城市大學一貫重視教學素質，並以「學生為本」的全人教育作為我們的辦學宗旨。我們極端不願意看到副學士學位課程不再獲得政府資助這個令人沮喪的事實。</p> <p>目前，政府對每一個受助副學位學生的資助單位成本為每年約 9 萬至 10 萬元，而市場上一般的「自負盈虧」副學位課程，收費僅為 4 萬 5 千元左右。在沒有政府的財政資助，城大根本無法以現有的員工聘用待遇、條件、辦學方式和配備營運，同時又在「自負盈虧」的情況下提供原來受資助副學士學位課程的「翻版」。</p> <p>本港有其他大學以「自負盈虧」方式開辦副學士學位課程，然而他們均是與校外進修部以「自負盈虧」方式合辦，而其教職員的薪酬與城大現時的副學士學位課程的教職員薪酬相差很大，教學設施及設備亦不大相同。經長時間的考慮後，城大管理層無奈地要提出<u>停止以現有模式來開辦該 13 個政府撤資的課程</u>。但校方會以轉營及增值方式來加強原有的課程內容，以自負盈虧方式運作。</p> <p>假如要將已被教資會宣佈停止資助的副學士課程，強行放在城市大學原來的教資會系統及模式上運作，則一定會影響大學的整體發展。據本地其他院校（如港大、浸大、嶺大及理大）的成功例子，這些院校的副學士學位都是用「持續教育」運作體制來營運，經驗顯示以這種模式，才有可能達至真正的「自負盈虧」，及面對不斷變化的市場需求。</p>
<p>10. 城大管理層「忘本」及無視 2003-08 年策略性發展計劃中的副學士教育的發展方向。</p>	<p>城大乃是一所受公帑資助的高等院校，其教育角色和使命均經由教資會所釐定，並獲教資會撥款資助。鑑於教資會改變現有的撥款模式，城大管理層實在有需要重新檢視和釐定大學的角色和使命。</p> <p>在城市理工學院初成立時(即 1984/85 年)，我們只提供百分之百的文憑課程。兩年後(即 1986/87 年)，城市理工首次引入學位課程，把文憑課程的比例變成百分之八十五。</p> <p>到了 1994/95 年，成立城市大學時，政府再將比例調整為百分之六十五是學位課程，百分之三十五是副學位課程，以配合本港社會人力資源的需求和知識型經濟的出現。</p> <p>現時，城大不只提供有百分之三十五的副學位</p>

	<p>課程，更提供百分之六十五的學位課程。</p> <p>在三年前，特區政府通過教統會和宋達能校長的高等教育報告書，落實教資會不再資助副學位課程。所以到了2008年，城大就會變成提供百分之九十的學位課程，餘下的只有約百分之十是副學位課程。</p> <p>事實上，城大的2003-08年策略性發展計劃早於2002年11月已獲校董會所確認及通過，校方會配合不同形式，把高級專業學院建立成一個財政穩健及擁有高度自主性的新社區學院，並以高增值形式把副學士學位課程與高中、專上教育和人力資源市場接軌。</p> <p>現時校方對副學士教育的承擔，正好與該策略性發展計劃所訂立的方向和大學對支持發展專上教育的理念互相呼應。</p>
<p>11. 校方為停辦副學士學位課程而把院長何炘基教授調走。</p>	<p>高級專業學院前院長何炘基教授因個人意願要求調回商學院繼續其教學及研究工作。</p>
<p>12. 城大高級專業學院教員人數佔城大教員人數十分一，但卻要教授城大三分一學生。</p>	<p>城大高級專業學院教員人數並不只佔城大整體教員人數十分一。城大全校只有約800位教學人員，其中約200人是來自高級專業學院。因此他們是佔了全校教學人員數目的四分之一。而高級專業學院的副學士學生人數則佔全校學生總數的三分之一。</p> <p>事實上，這四分一教員主要是進行教學工作，而毋須進行研究工作。而城大學位課程的教員除了要負責教學工作外，也須承擔研究工作。</p>
<p>13. 城大為了要營辦達至收支平衡及財政上有高度可行性的自負盈虧副學士學位課程，因而會影響到課程的質素。</p>	<p>對城大來說，要營辦在財政上有高度可行性，而不影響課程質素的副學士學位課程是一個極大的挑戰。</p> <p>在課程質素方面，校方設有教務會，它具城大課程的最高決策權。教務會是會檢視每一個課程的質素，以符合其標準及質素要求。</p> <p>在2002/03年，來自政府資助副學士學位課程的經常性收入撥款為4億5千萬港元（包括了教資會的資助和學費收入）。當政府於2004/05年至2008/09年逐步撤資13個課程後，城大預計將會失去約7成來自政府資助副學士學位課程的經常性收入撥款，該筆資助的實質金額約為3億。</p> <p>因此，大學一方面要把開支調低至一個收支平衡的水平；另一方面要把學費釐定在一個在市場上具競爭力的水平，以吸引學生報讀課程。</p>

政府資助的副學士學位課程的單位成本約為 9 萬至 10 萬港元。其中約有一半的款額用於高級專業學院的運作上，即約有 5 萬港元用作支付教學人員和非教學人員的薪金，及其他非薪金性的開支上，如儀器、辦公室物料及日常應用物資等；而餘下的另一半則用於維持大學的基建，包括圖書館、資訊科技、運動設施、及支持水電及人事管理、財政服務、入學註冊、學生紀錄及學生發展服務的行政支援費用，當中超過 7 成的款額是用於支付教職員薪金，主要是用於提供一個理想校園環境以體現城大的優質教育。

城大有這樣高質素的副學士課程，在香港是做得最好的。城大副學士課程的教員質素很好，而且受過很多年深造教育。但在自負盈虧的情況下，實在不能忽略其難度。

城大校董會將於 6 月 23 日召開的會議上議決成立一個工作小組。該小組負責為落實以自負盈虧方式營辦副學士學位課程找出可行財務方案的準則。

在課程質素方面，校方設有教務會，它具城大課程的最高決策權。教務會是會檢視每一個課程的質素，以符合其標準及質素要求。

25/06/2003 15:04

新聞通告

香港城市大學頃接獲教資會的正式通知，將於 2004/05 至 2007/08 年度逐步取消資助大部份副學士學位課程。目前，城大共有 19 個副學士學位課程獲教資會撥款資助，最終將有 13 個課程不獲資助。校方對教資會這一決定感到極為失望。

城大曾就政府削減副學士學位課程的資助，以不同方式與教資會進行爭取。除要求教資會繼續給予資助，使該等課程能得以延續外，亦商討將過渡期延長，以減低對教職員及學生的影響。惟幾經努力後城市大學最終只能爭取到繼續獲教資會撥款資助的課程由 3 個增加到 6 個。

與此同時，城市大學曾深入探討以自負盈虧方式繼續開辦該等課程的可行性。然而經仔細分析後，發現在財政上並不可行；除此之外，大學亦非常注重課程的素質。因此，大學認為沒有能力在毫無政府資助的情況下繼續開辦該等課程。大學在幾經深入研究後，並經大學管理委員會討論及通過，準備放棄開辦上述 13 個不再獲教資會資助的課程，同時也會逐步處理部份教職員的離職安排，及該等課程的停辦事宜。按估計，預期會有大約 150 位在高級專業學院工作的教職員會受到影響。大學已去信教資會，要求政府撥出專款，以便為因政府停止資助而要離職的同事安排一個合理及妥善的補償方案。

過去兩年來，城市大學當局亦曾深入探討以其他形式去開辦一些具市場需求的專上課程。其中一個先決條件是尋找一處可供獨立運作的校舍。為此，城大曾先後認真研究在大學教職員宿舍現址、青衣及石門等地方開設社區學院的可行性，並向政府有關部門提交建議書。惟最終各項申請均被政府的有關部門否決，對此，大學表示極其失望及無奈。

大學深知教資會的決定將為受影響的教職員帶來沉重打擊，對此大學當局深感難過。現在，城市大學正探討各項方案，盡量協助受影響的員工安排轉職，以祈減少對有關員工的影響。這些措施包括在校內物色適合的職位，及由城大專業進修學院 (SCOPE) 探討可否以及用何種自負盈虧的方式開辦一系列具市場需求的專上課程。希望這些措施能有效地吸納一部份受影響的教職員。誠然，城大高級專業學院現正

面對一項重大難題及挑戰，但校方承諾必定竭盡所能為受影響的員工作出合理的安排。另外，現時就讀及將於過渡時期入讀將被取消資助的課程的學生均不會受到影響。

城市大學一貫重視教學素質，並以「學生為本」的全人教育作為我們的辦學宗旨。我們極端不願意看到副學士學位課程不再獲得政府資助這個令人沮喪的事實，但是我們一定會在過渡時期內繼續保持上述課程的學術素質，維持一貫的高水平，直至最後一批學生順利畢業。

香港城市大學公共事務處

2003年5月16日

Press Statement

City University of Hong Kong has received formal notice from the University Grants Committee (UGC) of its decision to withdraw funding from 13 of 19 Associate Degree programmes over the period 2004/05-2007/08. The University is deeply disappointed with the decision.

The University has, on various occasions, appealed to the UGC to retain Government funding for the programmes and also to extend the transition period to minimize the impact on the University's staff and students. Owing to the strenuous efforts made by the University, the UGC has eventually retained funding for six programmes instead of three.

The University has examined the possibility of continuing to offer these 13 programmes on a self-financing basis, but finally decided this would not be financially viable. City University emphasizes the quality of its programmes, and is aware that it could not continue to run Associate Degree programmes of the same kind of quality on a self-financing basis. After a detailed analysis of the new operating environment and careful deliberation by the Management Board, the University concluded that it should prepare for the phasing out of these 13 programmes. The University is now planning the phasing-out process of these programmes and the running-down arrangements which would affect many of its staff. It is estimated that about 150 staff members of the College of Higher Vocational Studies will be affected. The University is striving for a reasonable compensation package for the staff who will be made redundant as a result of the withdrawal of Government funding, and it has made a written request to the UGC for a relief fund for this purpose.

Over the past two years, the University has examined the possibility of running market-driven non-UGC-funded post-secondary programmes in other modes to meet the educational needs of the public. As a key prerequisite is the availability of an independently run campus to provide proper facilities to house the students, the University has seriously examined the feasibility of and submitted written proposals for establishing a community college at the existing premises of the University staff quarters, in Tsing Yi and in Shek Mun. The University is greatly disappointed that these proposals have not been approved by the Government departments concerned.

The University fully recognizes the serious effect that UGC's decision will have on its staff and feels deeply sorry about this. The University is actively looking into various ways to accommodate staff in other positions, as far as possible, to minimize the impact. Suitable positions are being identified within the University, and CityU's School of Continuing and Professional Education (SCOPE) is looking into whether it is feasible and in what manner to run a series of market-driven post-secondary programmes on a self-financing basis. It is hoped that these measures will help absorb some of the affected staff. Certainly, CityU's College of Higher Vocational Studies is now facing a serious problem and a tremendous challenge. The University is committed to putting its best foot forward to make reasonable arrangements for its staff. The University will also ensure students currently enrolled and those who will be enrolled in these 13 programmes in the transition period will not be affected.

CityU takes great pride in its student-oriented learning environment, whole-person education and the quality of its academic programmes. We are reluctant to accept the sad fact that our UGC-funded Associate Degree programmes will no longer be supported by the Government. We will, nonetheless, undertake to ensure that the academic quality of the above-mentioned programmes will remain at a high standard during the transition period, until the last cohort of students graduates from the programmes.

Public Affairs Office
City University of Hong Kong

16 May 2003

新聞聲明

城大有同事分別於 5 月 18 日及 5 月 20 日發表聲明，內容顯示其對香港城市大學於 5 月 16 日發表有關教資會停止資助副學位聲明的內容有些誤解。城市大學現謹再發表聲明對上述的誤解及錯誤指責，予以澄清，以正視聽。

- (一) 取消對城大大部份副學位的政府資助是大學教資會的決定，城大屢經努力後仍未能爭取到更多的副學位資助課程，城大校方對政府的決定一直表示極端的失望。由於事關重大，大學管理委員會認為要馬上深入討論教資會的指令，並即時將討論結果及政府的決定向校內外公佈，這是增加透明度及務實的做法。
- (二) 目前，政府對每一個受助副學位學生的資助單位成本為每年超過九萬多元，而市場上所謂「自負盈虧」的副學位，收費僅為四萬五千元左右。城大根本無法以副學士學位的原有員工聘用待遇、條件、辦學方式和配備來營運，同時又能達到所謂「自負盈虧」的情況。大學因此要無奈地決定停辦 13 個政府停止資助的課程，同時並探討用其他方法及安排開辦各種具市場需求而又能達至「自負盈虧」的課程。
- (三) 政府對本港兩間大學的副學位資助是從 2004/5 至 2007/8，分 4 年逐步撤銷資助。因此城大也是因應教資會的「撤資」時間表，於未來 4 至 6 年逐步停辦受影響課程。換言之，2005/06 才影響到第一批同事，距今仍有兩年時間，大學會於這段時間內探討各樣的安排，包括開辦上述「自負盈虧」課程。
- (四) 城大於 5 月 16 日的聲明上已宣佈「大學已去信教資會，要求政府撥出款項，以便為因政府停止資助而要離職的同事安排一個合理及妥善的補償方案。」大學也會盡量協助員工在校內物色適合的職位，希望對員工影響減至最少。
- (五) 有人指出所謂「未經校董會通過」，實因對大學運作不瞭解所至。城大於 5 月 16 日的聲明指出，「大學在幾經深入研究後，並經大學管理委員會討論及通過，準備放棄開辦上述 13 個不再獲教資會資助的課程。」按照大學的常規運作，大學管理委員將會把決議案，分別提交最近一次召開的校務委員會及校董會確認。

(六) 大學深明教資會的決定對受影響教職員帶來沉重的打擊，大學對此亦深感難過，同時亦對某些同事的激烈反應表示理解及同情。大學希望能更多地與受影響的同事溝通商討，共同找尋解決方法。較早前大學校長及副校長（學術）亦曾與「城大副學士課程關注小組」及「城大高級專業學院行政委員會」同事數度商討。但最近兩天，校長曾重覆提出要求與「關注組」再次會面商談，可惜「關注組」以組員工作繁忙為理由，推延與校方領導層見面商談。對此，校方表示詫異及失望。希望「關注組」或隨後成立的「行動組」同事能盡快與大學溝通，共同探討。

(七) 大學理解某些在校同學擔心這 13 個課程的現有學歷會因將來停辦而受到影響。事實上，停辦任何課程都絕對不會影響到過去已畢業及現在正在修讀學生的文憑學歷。因此，目前在校同學實在毋須擔心。同時，大學亦已明確表明定會在過渡期保持上述課程的學術素質，維持原有的高水平，直至最後一批學生順利畢業。

香港城市大學公共事務處

2003 年 5 月 21 日

Translation of the Press Statement issued on 21 May 2003

The press statements issued by some City University of Hong Kong colleagues on 18 and 20 May respectively indicated that there are some misunderstandings towards the University's press statement issued on 16 May regarding the University Grants Committee's (UGC) decision to withdraw Government funding for CityU's Associate Degree programmes. The University would like to clarify the misunderstandings and refute the accusations on the matter as follows:

1. The decision of the withdrawal of Government funding from a majority of CityU's Associate Degree programmes was made by the University Grants Committee, despite the University's strenuous efforts in retaining Government funding for more programmes. The University is deeply disappointed with the decision. Since the issue is of such a magnitude, the University's Management Board considers it necessary and practical to deliberate in depth the UGC's instructions immediately, and for the sake of transparency, to announce the result of the Board's deliberations to the University community and the public at once.

2. At present, the unit student cost for a Government-funded Associate Degree student is over \$90,000 per annum. However, the tuition fees for a so called "self-financing" Associate Degree programme in the market is only about \$45,000. It is therefore impossible for CityU to run its Associate Degree programmes on a "self-financing" basis under the current staff remuneration package, terms of employment, mode of operation, and facilities. The University reluctantly concluded that it should phase out the 13 programmes from which Government funding would be withdrawn and at the same time explore other ways of running market-driven post-secondary programmes on a "self-financing" basis.

3. The Government will gradually withdraw its funding from the Associate Degree programmes offered at two local universities over a period of four years, from 2004/5 to 2007/8. CityU will therefore phase out the affected programmes in a span of four to

six years according to UGC's "schedule of funding withdrawal". In other words, it will affect the first batch of staff in 2005/06. In the coming two years, the University will actively explore various arrangements for the affected staff members, including the possibilities of running the aforesaid programmes on a "self-financing" basis.

4. CityU has announced in its press statement issued on 16 May that "the University is striving for a reasonable compensation package for the staff members who will be made redundant as a result of the withdrawal of Government funding, and it has made a written request to the UGC for a relief fund for this purpose". The University is also actively identifying ways to accommodate staff in other positions within the University, as far as possible, to minimize the impact.

5. Some colleagues alleged that the phasing out of the 13 programmes "has not been approved by Council". Such accusation was prompted by the misunderstanding on the University's operating procedure. As a matter of fact, the press statement issued by the University on 16 May clearly stipulated that "After a detailed analysis of the new operating environment and careful deliberation by the Management Board, the University concluded that it should prepare for the phasing out of these 13 programmes". The Management Board, in accordance with the University's rules and regulations, will submit its decision to the forthcoming meetings of the Senate and the Council for endorsement.

6. The University fully recognizes the serious effect that UGC's decision will have on its staff and feels deeply sorry about this; it also understands and sympathizes with the radical response of some of its staff. The University hopes to have more opportunities to discuss and communicate with the affected staff to jointly sort out the possible solutions. To this end, CityU's President and Vice-President (Academic Affairs) have been discussing the issue with the "College Executive Committee" and the "City University of Hong Kong Staff Association's Concern Group on College Issues" on several occasions. In the past two days, the University President has repeatedly requested to meet with the Concern Group again to discuss the issue.

However, the Concern Group indicated that its members were busy at work and hence needed to defer its meeting with the management. The University is surprised and disappointed with their response, and yet, it hopes members of the Concern Group or the Action Group subsequently formed will communicate with the University as soon as possible to explore the possible solutions together.

7. The University realizes some students are worried that their academic qualifications in these 13 programmes would be affected when these programmes ceased to operate in future. As a matter of fact, the academic qualifications attained by the graduates or current students will not be affected and will continue to be recognized even if these programmes are phased out. Current students need not cast any worry at all. Moreover, the University has undertaken to ensure that the academic quality of the aforesaid programmes will remain at a high standard during the transition period, until the last cohort of students graduates from the programmes.

Public Affairs Office

City University of Hong Kong

21 May 2003

新聞通告

香港城市大學校董會行政委員會於今日舉行的會議上，討論有關城大日後開辦副學士學位課程事宜。委員會同意城大校長的建議，向校董會提議成立一個工作小組，研究以自負盈虧方式開辦副學士學位課程在財政上的可行性。委員會並建議小組由7位人士組成，成員包括下列人士：

- 3位校董會的校外成員，由其中一人擔任小組主席
- 兩位城大管理層的代表
- 由高級專業學院教職員互選兩位代表

校董會將於2003年6月23日召開的會議上就上述建議作出議決。

香港城市大學校董會秘書處

2003年5月29日

Press Statement

At its meeting held today, the Executive Committee of the Council discussed the future provision of Associate Degree programmes in the University. The Committee agreed to recommend to Council, as proposed by the President, that a working group be established by Council to examine the financial viability of offering self-financing Associate Degree programmes. The Committee proposes that the Working Group should comprise seven members as follows:

Three external Council Members; one to be appointed as Chairman
Two representatives of the management of the University
Two elected members from, and by, the staff of the College of Higher Vocational Studies

The resolution will be put to the next meeting of the Council to be held on the 23 June 2003.

Council Secretariat
City University of Hong Kong

29 May 2003

新聞通告

香港城市大學校董會在今天召開的第 28 次會議上, 宣佈成立一個工作小組, 研究以自負盈虧方式開辦副學士學位課程在財政上的可行性。該小組的成員包括:

- 3 位校董會的校外成員, 由其中一人擔任小組主席;
- 兩位城大管理層的代表; 以及
- 由高級專業學院教職員互選兩位代表。

工作小組由校董會司庫鍾瑞明先生擔任主席, 小組中另外兩位校董會校外成員為汝璞女士及鄭維新先生。至於小組其他成員的名單將於稍後公佈。

香港城市大學
校董會秘書處

2003 年 6 月 23 日

Press Statement

The Council of the City University at its 28th meeting held today announced the formation of a working group to study the financial viability of offering self-financing AD programmes, with the membership as follows:

- three external Council Members, one to be appointed as Chairman;
- two representatives of the management of the University; and
- two elected members from, and by, the staff of the College of Higher Vocational Studies (the College).

The working group will be chaired by Mr Chung Shui-ming, the Treasurer of the Council. The other two external members of Council will be Ms Marina Wong and Mr Edward Cheng. The other members will be announced in due course.

**Council Secretariat
City University of Hong Kong**

23 June 2003