

PRESIDENT'S ADVISORY COUNCIL

21 November 2006

(week 47)

Present:	Said Irandoust (<i>Chair</i>) Peter Haddawy Worsak Kanok-Nukulchai Sivanappan Kumar I M Pandey	Sudip K Rakshit Hoang Le Tien (<i>AOH Coordinator</i>) Khin Ni Ni Thein Vilas Wuwongse
		<i>Secretaries:</i> Karma Rana Renedith Calabdan
Apologies:	Stephen Ogunlana Jonathan Shaw	Dennes T Bergado Imran Khan
Invited:	Avinash Patel	Ms. Vanthida Meungkhangpeng (<i>on behalf of SU President</i>)

PAC 06.11.01 Welcome and Apologies

The President welcomed all present to the PAC meeting.

Apologies were received.

PAC 06.11.02 Review of the Minutes of the PAC Meeting of 24 October 2006.

The minutes of the 24 October 2006 PAC meeting were confirmed.

Feedback from faculty on the confirmed minutes of 10 October 2006 PAC meeting was received and noted.

ISSUES FOR DECISION

PAC 06.11.03 Appointment and Renewal/ Re-appointment Cases

The case of Prof. Ilkka Kauranen, Visiting Professor, 1 year, SOM, Fund 10, was endorsed.

Case of Promotion to Professor

The VPAA reported that the Faculty Evaluation Panel considered and unanimously recommended a faculty case for promotion to the rank of Professor. The case will be submitted to the Executive Committee of the Board in its meeting on 27 November 2006, and subsequently to the Board of Trustees for approval.

It was agreed that the announcement on promotion be made to the community following the approval of the Board of Trustees which should highlight the faculty member's CV, significant achievements in the past 6-7 years while at AIT, contribution to research and impact of his/her research work on his/her field, and service to the Institute. In addition to the recognition which should be conveyed to the community, the President remarked that two separate issues should likewise be clearly communicated to colleagues namely a) promotion and b) freeze in salary increment for the time being.

PAC 06.11.04 Partnership Agreements

The following partnership agreements were endorsed:

1] The Economist Intelligence Unit

- Suggested revision from PAC: Deletion of the 3rd sentence, 2nd paragraph.

2] Norwegian University of Life Sciences

3] Korea University of Science and Technology

The PAC provided its comments on the following partnership agreements which will be further deliberated at the next PAC meeting:

1] Mie University, Japan

- Dean, SET will follow-up from the faculty concerned the additional background information regarding the partnership (i.e. university standing, previous collaboration with AIT, student exchange, planned activities etc). It was deemed necessary that the mode of charging of fees for exchange students be considered carefully. Payment should be made to the home institution if the number of exchange students from both institutions are equal. Otherwise other alternative arrangements should be thought out.

2] Technical University of Munich (“Technische Universität München” TUM), Germany

- TUM requested for the renewal / extension of the Memorandum of Agreement with AIT which expired in February 2006.
- ERCO will be requested to provide the background of the collaboration. All schools, particularly SOM were requested to review and provide the outcomes under this partnership agreement in terms of student exchange and other academic activities done.

3] Kun Shan University, Taiwan

The President received the proposed collaboration agreement from the President of KSU during his visit in Taiwan.

- ERCO was requested to review the proposed agreement and provide PAC with the necessary background information for deliberation at the next meeting. Information regarding the standing of KSU could be sought from AIT alumni connection in Taiwan.

In reviewing, PAC in its previous meetings has recommended that the following guidelines to be observed in submitting partnership agreements for consideration of the PAC.

- Only MoUs reviewed by the respective schools faculty members and officially endorsed by the Dean will be submitted to PAC for approval.
- The proposed draft partnership agreement should be accompanied by a rationale or a brief write-up which provides a background on any past or existing cooperation/activity with the concerned institution, planned activities under the agreement specifying the commitment or resources that may be required from both parties and information on the standing/quality of the institution.

PAC resolved that the standard clause in the introduction of AIT or in indicating the location of AIT in partnership agreements, should read “ Asian Institute of Technology, based in Thailand”.

Future partnership agreements should be ensured to reflect the above reference clause instead of the commonly used “AIT, Thailand or AIT (Thailand).”

PAC members were requested to further reflect upon the arrangement in the payment of fees by students under the exchange program, which should be based on the principle that payments are made to the home institution on the condition that there is equal number of students from both institutions. Agreement on this issue will be useful in future collaborations which include student exchange programs.

PAC 06.11.05 Policies and Procedures

PAC noted and approved the statement recommended by the KPMG auditors to be incorporated in the P&P on Purchasing of Goods and Services (C- Bidding and Contract Awarding, item #4 2nd sentence which reads "All sealed bids should remain sealed until opened with the endorsement from the Bidding Committee").

In summary and referring to the previous review of PAC of P&Ps related to purchasing (PAC meeting of 01 August 2006) the following P&P Statements were formally approved and will be uploaded in the AIT web:

- 1] FB-3-1-1 – Purchasing of Goods and Services
- 2] FB-3-1-2 – Purchasing Unit: Authority and Responsibility
- 3] FB-3-2-1 – The Purchase Request
- 4] FB-3-2-2 – The Purchase Order
- 5] FB-3-2-3 – Summary of Cash Purchases

ISSUES FOR DISCUSSION**FINANCE AND AUDIT****PAC 06.11.06 Progress on FY 2007 Budget Preparation**

The Budget Committee hearings for FY 2007 budget of schools and offices starts on 22 November 2006. The President agreed that each AOH will present their respective budgets before the budget committee.

It was deemed appropriate that funds 10 or 30 budgeting be based on realistic targets. Units / centers under fund 30, when preparing the budget should be able to know the expected operation expense needed to be covered by overhead from their sponsored projects to stay viable.

PAC 06.11.07 FY 2006 Ten Months Operating Results and Forecast for the Remaining Year

The ten months operating results and forecast for the remaining period of 2006 was reported by the Interim Head, Finance Office. The operating results show surplus of Baht 68 million compared with deficit of Baht 38 million for the same period last year. Revenues are in line with the forecast but below the budget. No further revenues are expected for the remaining two months. Expenditures are curtailed as much as possible and every attempt is made to remain within the budget. Exceptions, based on absolute necessity, are reported to the President for prior approval.

In the remaining two months of this year no significant changes are expected and it appears that forecast for the year, deficit of around Baht 25 million, will hold.

PAC 06.11.08 Follow-up matters from Finance Office

- 1] Monthly Financial Report from Finance Office

The Interim Head of Finance Office presented a sample of the monthly report which could generate necessary data and could be extracted from ERP by each unit/school. FO and ITServ are now finalizing the program that will accommodate this exercise following which a training for relevant staff in schools and units is planned to be conducted starting December 2006. The Interim Head-FO confirmed that the proposed reporting system being worked out with ITServ, will on one hand provide the financial data/status required by the schools/units, as well as provide an Institute level financial management control or warning system, in order to avoid previous financial reporting gaps.

2] Payback Scheme of the Residential Units on Campus

As it takes time to collect the information on the current status of the payback schemes of residential units in AIT the Interim Head, FO remarked that it would be helpful if the purpose for which the data will be used should be discussed together with Head, Infrastructure Office in order to address specific requirements.

3] P&P on Faculty/Staff Official Travel

The Finance Office has been tasked to work on the new AIT per diem rates on which the UN per diem rates as a suggested reference, has been provided early on by Head, RES to Finance Office following the request from PAC. The Interim Head, reported that UN rates will not be applicable to AIT in terms of affordability. It was agreed that rates from comparator institutions of AIT should be used as reference/basis. As the task had been long delayed the President requested that the above P&P be given attention and should be finalized soon.

- Head, RES will be requested to provide Finance Office the per diem rates of GTZ.
- VPER volunteered to obtain the travel rates used by Thammasat University or Chulalongkorn University.
- Data from comparator institutions outside Thailand (e.g NUS or Hong Kong University) will also be forwarded to FO.

4] Processing of Request for Travel Authorization (RTA) and Request for Reimbursement of Travel Expense

The Interim Head, Finance Office will circulate to the schools and units the simplified rules in processing the RTA and RRTE, among which the school dean will be final signatory of RTA. The Finance Office will still conduct random checking but not of all submissions.

ISSUES FROM THE PRESIDENT

PAC 06.11.09 Response to KPMG Recommendation

AIT is preparing a response to the KPMG (Sweden) recommendations to be submitted to Sida. The inputs received so far from responsible persons assigned have been incorporated to the draft document circulated to PAC members. The President informed the meeting that the completed draft response will be tabled in the Monday (27 November 2006) meeting of the Executive Committee.

- The President emphasized the importance of the response to KPMG recommendation and requested assigned individuals to send in their respective inputs by Thursday, 23 November 2006.
- PAC members were also requested to review the document and provide necessary inputs they may see necessary in terms of actions taken or plans pertaining to specific KPMG recommendations.

PAC 06.11.10 Update on AIT Ownership & Governance Model

In follow-up to the 30 October Board meeting, the President reported that additional comments were received from Sweden, France, Finland and Japan. The government of Pakistan is also supportive and willing to commit approximately US\$ 1 million as a one-time contribution and US\$ 200,000 annually. AIT will propose institutional support for 5 years in order to realize targets and goals of the strategic development plan (SDP). The President reiterated the necessity of converting the SDP into specific and concrete projects, which can be supported by other partner governments and agencies. This issue will be further discussed at the 27 November meeting of the Executive Committee.

The President also informed PAC that a special meeting of the Board of Trustees will be convened on Friday, 01 December 2006.

PAC 06.11.11 Evaluation of Leadership and Administration

The President reported that he has received varied feedback following the conclusion of the evaluation exercise, the intention of which was to establish a process of continuous performance appraisal and performance improvement.

In this regard, the meeting was informed that Dean, SET has initiated a kind of survey (suggested term by the President) as part of feedback mechanism from SET faculty on his performance as School Dean.

PAC 06.11.12 Executive Committee Meeting – 27 November 2006

The link to the agenda and meeting papers will be made available to the community by 24 November 2006.

PAC 06.11.13 AIT Graduation Ceremony, 15 December 2006

Dr. Tej Bunnag, Chairman of the Board has kindly accepted to be the graduation speaker.

H.E. Professor Nguyen Thien Nhan, Minister of Education and Training, Vietnam will be invited to confer the Friendship Order on AIT.

PAC 06.11.14 Year-end Institutional Forum and Potluck Tea Party

The President informed the meeting of the planned year-end Institute Forum to be held on 12 December starting from 1 p.m., which will be followed by a potluck tea party from 3:30 p.m. The forum will take place in the AIT Conference Center Auditorium. The purpose of the forum is to provide members of the community with updates on AIT's financial situation, the impact and positive outcomes of the whole community's efforts toward increasing revenues and reducing costs, forecasts for the remaining year and projections for 2007. In addition, progress on AIT's international status and new charter, highlights of some the new initiatives and future directions will be provided. This will give members of the community an opportunity to freely raise any questions, comments or suggestions.

PAC 06.11.15 Mission to Philippines

The President will be in Philippines from 28 to 29 November 2006. The Philippine Ambassador to Thailand, who is also a member of the AIT Board of Trustees, as well as Professor Pama are providing their support and assistance in arranging meetings with officials from the International Organization, Ministry of Foreign Affairs; Commission on Higher Education; Department of Science and Technology (DOST); Department of Education; and the National Economic Development Agency (NEDA).

PAC 06.11.16 Removal of 1/3 Ceiling, Honorarium Criteria and External Activities

The document prepared by VPR was received and deliberated by PAC members.

- The President requested PAC members to provide the PAC Secretariat with concrete suggestions on revisions needed or concrete statements to be incorporated in the document. The updated version will be re-circulated to members for further review before it is finalized.
- PAC Secretariat to resend the document to PAC members.

PAC 06.11.17 AIT Center in Vietnam, as Responsibility Center

It was opined that AITCV as an integral part of AIT, should function as a responsibility center which follows that it ought to share in the allocated cost. It was seen appropriate that a common system between AIT Extension and AITCV could be adopted.

PAC 06.11.18 Financial Review of Schools / FoS's

VPAA reported that compilation of the financial data for the past five years and enrollment data for the past four years for each school and FoS had been completed and provided to the Schools. The data will be used to identify programs that are not financially viable in their current form in order to have an in-depth discussion concerning necessary actions to be taken.

The President advised that the operational cost of the office of the School Deans should be shared among respective FoS and should be taken into account in the FoS financial review.

- VPAA was requested to revise the financial data accordingly following which the revised information will be sent to School Deans.
- School Deans were requested to distribute the revised data to FoS/Program Coordinators as they may want to check the correctness of data.
- A series of meetings with each school will be convened to identify those programs that are not currently financially viable and to discuss actions to be taken.

OTHER MATTERS**PAC 06.11.19 Collaboration with UNIDO**

Dean, SERD presented the proposed collaboration with UNIDO which intends to establish a regional forum to promote Best Available Technique and Best Environmental Practices (BAT-BEP) in various sectors, with AIT as the host institution. This issue was discussed in a meeting with interested SERD faculty after which the faculty members who will be involved was agreed upon. A delegation from UNIDO will visit AIT during the second week of December 2006 to sign the MoU. It is expected that an amount of Euro 50,000 will be available for a research project.

The President requested ERCO through VPER to provide the necessary assistance in formulating the MoU with UNIDO. The draft MoU will be circulated to PAC members for comments and endorsement via email.

PAC 06.11.20 Proposed Use of Solar Panels in AIT

The President requested VPDR to discuss the idea of AIT utilizing solar panels with Head, Infrastructure and provide a brief to the PAC in the next meeting.

PAC 06.11.21 Next Meeting

The next PAC meeting will be announced in due course.