PRESIDENT'S ADVISORY COUNCIL

05 September 2007
(week 36)
(confirmed)

Present:	Said Irandoust *(Chair)*	Sudip K Rakshit
	Izel Dante	Jonathan Shaw
	Peter Haddawy	Ram Shrestha
	Worsak Kanok-Nukulchai	Khin Ni Ni Thein
	Sivanappan Kumar	Rathsayam Tiyarathtagam
	Indra M Pandey	*Secretaries*: Karma Rana
		Renedith Calabdan

| **Apologies:** | Dennes T Bergado |
| | Vilas Wuwongse |

| **Invited:** | Patcharee Wangsakan |

PAC 07.09.01   Welcome and Apologies

The President welcomed all present to the PAC meeting. A special welcome was offered to Professor Ram Shrestha and Mrs Izel Dante as new members of the PAC in their new positions as Chairman of the Academic Senate and Head of Administration respectively.

Professor Indra M Pandey, Dean SOM, as host of the meeting also welcomed the PAC members to the School of Management. The President on behalf of PAC, offered a vote of thanks to Dean, SOM and to the staff members who made excellent arrangements for the meeting.

**PAC 07.09.02   Approval of the PAC Agenda and Review of the Minutes of the
PAC Meeting of 25 July 2007.**

The minutes of the 25 July 2007 PAC meeting were *confirmed*.

ISSUES FOR DECISION

PAC 07.09.03   P&P on Use of Computing & Network Facilities/Services

PAC *resolved* the adoption of the P&P on Use of Computing & Network Facilities/Services following circulation of the document to the AIT community for feedback. The revised P&P AA-9-4-1 "Use of ITSU's Computing and Network Facilities/Services" will soon be uploaded online.

PAC 07.09.04   P&P on Ethical Behavior, Grievance Process and Disciplinary Process

PAC *resolved* the adoption of the updated P&P on Ethical Behavior, Grievance Process and Disciplinary Process following incorporation of PAC comments (at its 25 July meeting) and circulation of the document for community feedback. The approved P&P will be uploaded online.

PAC 07.09.05   Draft Environment Policy

PAC *resolved* the adoption of the Environment Policy which was circulated to the AIT community for comments. The approved policy will be converted to the standard P&P format and will soon be uploaded online.

PAC 07.09.06   Decision Meeting: *Outsourcing of Cafeteria Operation and Maintenance*

PAC *endorsed* the proposal to outsource the operation and maintenance of the cafeteria to a professional company namely, Sodexho. It was recommended that the proposal be presented at the Decision meeting scheduled for 19 September 2007.

PAC recommended that the following actions be taken:

1]   H/Infrastructure Office (H/IO) - to submit a write-up that provides the rationale and brief background on the recommendation to outsource the cafeteria, following which the President's Office shall circulate for community's information and feedback before the 19 September Decision Meeting.

2]   H/IO to explore two (2) possible arrangements in order to mitigate the impact on the vendors and staff who will be affected by the decision, as *recommended* by PAC.
   A]   Negotiate with Sodexho the possibility of absorbing the current cafeteria vendors and staff in their new set-up, if they meet the required recruitment standard of the company.

   B]   If option A is not possible, Infrastructure Office is requested to come up with a formula by which current vendors and staff could be offered a package in terms of monetary compensation, as a goodwill gesture from the institute for their service and contribution to the AIT.

   Feedback and information on the two options should be ready and will be part of the presentation at the 19 September 2007 Decision Meeting.

3]   PAC recommended that a "cafeteria user committee/panel" be set up following the approval of the proposal at the decision meeting. The committee will serve as a formal body of AIT that will evaluate and convey feedback on the company's performance.

PAC members were in agreement that implication of food pricing (and quantity) and its effect to students should be carefully looked into. It was also noted that all of the current cafeteria vendors have been informed by IO of the outsourcing plan and that some of the current vendors submitted their proposals in a bid for the outsourcing of cafeteria, as reported by Dr. Tien.

PAC 07.09.07   Campus Environment Committee – Terms of Reference

The former Campus Planning and Environment Committee (CPEC) was proposed to be reconstituted as the Campus Environment Committee, the ToR of which was received for consideration of PAC (Annex 1).

PAC *approved* the ToR and *recommended* that the committee be renamed as Campus Environment and Development Committee (CEDC) to better represent its mandate. The ToR was agreed to be revised to incorporate comments from PAC members which are as follows:

- Appointment of the four faculty experts shall be made based on the advice of PAC members. The rest of the statement shall be deleted.

- Given the strategic nature of CEDC's purpose and function as a standing committee of the institute, PAC members *recommended* that the President take an active part in the committee on which the President agreed.

The CEDC will have the following *ex-officio* members: Head-Infrastructure, Student Union President; and Student Union Environment Committee Chair. Other members will include faculty representatives in the areas of energy, environmental engineering, infrastructure, natural resources management, solid waste management, transportation, water; campus resident representatives, as well as external members. The committee will provide assistance in the implementation of the AIT Environment Plan and the Campus Plan.

> Formal appointment of the members will be made soon, as well as the administration of the election of four campus resident representatives to complete the composition of the committee. (c/o Head of Administration)

PAC 07.09.08   Campus Plan Task Force – Terms of Reference

PAC *approved* the ToR of the Campus Plan Task Force (CPTF) which is tasked to provide a comprehensive blue print for the Institute's stewardship of its land; convey an institutional purpose to AIT partners; guide the Institute in its efforts to be a leader in environmental good governance and best practices; and provide a comprehensive framework for investment by partners, among others. The CPTF, which shall be chaired by a Vice President, will be comprised of the School Deans, AIT Extension Director, Head-Infrastructure, faculty, staff and student representatives, as well as external members.

PAC *resolved* that presentation of a component of the overall AIT Campus and Development Plan (CDP), specifically the CDP for the next 5 years, will be made by CPTF during the first meeting of the Board of Trustees in 2008. The President recommended that an external expert from Sodexho be invited to take part in the CPTF meetings. VPDR also proposed to consider involvement of the ADB Country Director. The President emphasized that regardless of composition, setting up of a task force or committee signifies importance of the matter and encourages everyone to foster a kind of culture that puts equal importance on such institute bodies.

ISSUES FROM PRESIDENT

PAC 07.09.09   Laptop Subsidy

As announced, AIT will subsidize purchase of students' personal laptop computers starting from August 2007 semester. The main issues on the rationale, funding source and sustainability of the laptop subsidy scheme were deliberated at length by PAC members.

PAC *recommended* that Dr. Harianto (ITSU Coordinator) should meet with schools to assess what software/programs fully require computer laboratories and identify computer laboratories requiring special hardware devices. Assess the essential software needed by students in their course/research works and the feasibility of installing commercially licensed software in network versions and consider the use of open source software.

The President informed the meeting that he is finalizing a memorandum to the School Deans on his call for solidarity in supporting the scheme; on his proposal on how to shoulder the subsidy costs as well as to make IT spending in schools more efficient. Convinced of the rationale that a personal laptop computer among others, is an essential working tool in AIT students education, the President proposed that the scheme be evaluated after 3 years.

Some of the main discussion points put forward were as follows:

1] Questions on the rationale of granting subsidy which were not included in the budget preparation of last year; on how the extent of subsidy was decided upon; financial sustainability of the scheme and request for adequate assessment; identification of funding source etc.

2] Concept of full payment of the laptop by students of which portion of the payment will come from student assistantship compensation.

3] Necessity of still maintaining computer laboratories for special/limited licensed software and concerns on the disparity in the number of laptop demand by students in each school. It was also pointed out that upgrades of laboratories were often stalled due to financial constraints.

4] Importance of the scheme in improving the overall educational environment in AIT. Functionality of a laptop which allows a student 24 hours/day access to information online vs. a computer laboratory which can be accessed only from a single /limited location with limited number of computers to fully meet students needs.

5] AIT students need to be confident users of information and communication technologies.

PAC 07.09.10   Draft AIT Charter

The special meeting of the Board to discuss the draft AIT Charter will be held on 6 September 2007. Announcement providing the link to the meeting papers was already sent out to members of the community. The outcomes of the visit to Japan and discussions with relevant officials concerning the draft AIT Charter were reported through the President's weekly letter issued on 03 September 2007. The President informed the PAC members of his meeting with the Chairman of the Board, Dr. Tej Bunnag prior to the Board Meeting.

PAC 07.09.11   ASEAN Round Table Meeting

The ASEAN Round Table Meeting on the Promotion and Achievement of MDG Goals through Education and Training is tentatively planned for 14-15 November 2007. It is hoped to establish AIT as a Center of Excellence / Regional Hub in Education and Training for ASEAN countries through this initiative. On-going work on agenda and collaborators that would support this objective is being done. The Ministry of Foreign Affairs, Thailand will support and also partner AIT in this initiative.

▪ **ASEAN Scholarship Scheme**: The ASEAN Scholarship Scheme on Environmental Education and Education for Sustainable Development which has recently been endorsed by the ASEAN Senior Officials on the Environment (ASOEN) at their 18th meeting held in the Philippines from 6-8 August 2007 could also be linked to the above initiative through the active role of Professor Tabucanon.

PAC 07.09.12   Collaboration with Afghanistan

Dr. Habibullah Habib, Chancellor, Balkh University (BU), Afghanistan Mr. Abdul Hai Sofizada, Ministry of Higher Education, Afghanistan, Dr. Scherezad Latif, World Bank, Afghanistan recently visited AIT. A request for expression of interest for academic partnership with the Faculty of Engineering of the University of Balkh was sent to AIT by the Ministry of Higher Education. AIT has accordingly and in follow up to the visit and discussions that took place submitted an expression of interest to the Ministry. The key partners namely, University of Balkh, World Bank and Ministry of Higher Education are highly supportive and positive.

The areas of interest of BU include water, construction and chemical engineering. AIT plans to send a team with one faculty from each area together with an ERCO officer, Dr. Tess del Rosario (who offered to assist AIT in the Afghanistan initiatives) and the President, by mid October 2007.

PAC 07.09.13   Prospects for AIT

The President reported that the Ministry of Higher Education of Afghanistan and the World Bank signed a project agreement entitled "Strengthening Higher Education Program" in 2005 under which 6 state universities in Afghanistan namely, Kabul University, Nangarhar University, Kabul Polytechnic University, University of Balkh, Kandahar University, and University of Herat, have been selected. The activities under the project agreement started in 2006 with Kansas State University having recently signed two three-year contracts worth 5.5 million US dollars to improve the College of Engineering and the Department of English at Kabul University through funds provided by the World Bank. Some other foreign universities such as University of Brighton (UK), San Diego State University (US) and Ohio State University (US) have also initiated discussions with some of the other universities.

ISSUES FOR DISCUSSION

Finance and Audit

PAC 07.09.14   Seven Months Financial Results

Report on the seven months financial results was presented to PAC by Head, Finance Office (H/FO).

In YTD July'07 Fund 10 has gone into a 10 million deficit due to the additional expenses incurred during the month and the absence of major additional revenue (Tuition, which will be recorded in August'07). In the same period last year Fund 10 had a larger deficit of 48 million (38 million higher). Fund 21 also shows a significant improvement this year due to the increase in Support Operation revenues and AITCV Tuition Fees.

Latest forecast based on the student enrollments for the August semester shows that SET promises to end up showing a strong financial result generating 24.3 million Baht (4 million higher than its original budget). SERD and SOM however have reduced their Net Surplus by 28% and 38% respectively from what were originally budgeted.

Projection shows an increase in general reserve of 10 million Baht by the end of 2007 as compared with the same period of 2006.

PAC 07.09.15   **AIT Medical Insurance Scheme**

A comparative data on insurance coverage and premium cost offered/provided by
1] AIT (institute-managed medical pool), 2] BUPA (AIT's previous medical insurance company) and 3] Generali, were received by PAC (Annex 3).

PAC requested H/FO to do a comparable survey of insurance plan which takes into account coverage for the AIT employees' dependents and the corresponding cost to AIT. It was pointed out that the current AIT-managed medical pool and the insurance scheme previously provided by BUPA covered for the dependents of AIT employees.

It was reported that the original pool was 4.53 million Baht for all Funds. YTD-July 2007 spending was 1.7 million Baht, leaving the balance of 2.8 million Baht. PAC members were of the view that AIT has no capacity to take on risk in terms of covering for big scale medical expense which could come anytime, thus revisiting the current AIT medical scheme and looking for alternative arrangements should be seriously considered.

PAC 07.09.16   **Guidelines on Office Rental and Fees in Academic and Administration Buildings**

The draft "Guidelines on Office Rental and Fees in Academic and Administration Buildings" were received by PAC (Annex 4). To date, there are no guidelines on, leasing agreements with partners/tenants who are requesting use of AIT facilities; charging rates; classroom rentals, implementing office in charge etc.

Given that the RCM Task Force has been deliberating on issues related to rental charges for academic and administration buildings, PAC _recommended_ that the Head of Administration attends the next RCMTF meeting. Since classroom rental charges and related guidelines have not yet been discussed by RCMTF, it was requested that this issue be included in the discussions.

PAC 07.09.17   **Report on Finance Initiative – Cash Register Program**

The new "Cash Register Program", initiated by H/FO in collaboration with Dr Harianto, ITSU Coordinator was well received by PAC. The setting up of a computerized system to better handle miscellaneous payments processed through the cashier was reported to have resulted to valuable cost saving, optimized resources in the Finance Office, and better services provided by the cashier.

PAC 07.09.18   **Terms of Reference for AITCV Oracle Implementation**

The ToR for AITCV Oracle Implementation were received by PAC. H/FO reported that implementation of the oracle system at AITCV is now half way. Once the ToR is agreed, Thailand team will visit AITCV for the on-site implementation and training during the month of October 2007. It was noted that a number of tasks indicated in the action plan has already been carried out prior to the date of ToR. The remaining tasks will be carried out as indicated in the action plan.

PAC 07.09.19   **FY 2008 Budget Instructions**

The FY 2008 Budget Instructions from H/FO were received by PAC (Annex 5). PAC _recommended_ that the budget schedule be adjusted based on the sending-out date of the Executive Committee meeting papers to members which is slated for 20 October 2007.

The 2008 budget will be submitted to the 5 November 2007 meeting of the Executive Committee for endorsement and subsequently to the 26 November 2007 meeting of the Board of Trustees for approval.

Central Administrative Offices were advised to prepare their respective budget proposals in parallel with the schools. The President also clarified that the entire budget process for 2008 will be coordinated through the Finance Office.

Research Issues

PAC 07.09.20   **Financial Model for Fund 30 Academic Programs**

As agreed in the Decision Meeting on 5 April 2007, all activities (including revenue generating academic/professional programs on-campus and in AIT satellite campuses or partner institutions) planned to provide direct incentives (honorarium) to AIT faculty with effect from 1 July 2007, shall be opened under the Fund 30 account structure and shall be guided by the **Financial Model of Customized Degree Programs (**Annex 6). The full scheme and corresponding forms shall be uploaded in the SCPU website.

It was clarified that payment of direct incentive for courses done during the 2nd semester shall be made one month after the completion of the course. Considering the load and effort entailed in coordinating a customized degree program, PAC _agreed_ to set the coordinator's honorarium at 20K/month from the first year of program launch onwards.

PAC 07.09.21   **Fund 10 Staff Honorarium**

Upon provision of a rationale, and provided primary duties and responsibilities are satisfactorily carried out, a centrally-funded (Fund 10) staff member is allowed to be involved in and earn direct incentives/honorarium from approved revenue-generating Institute activities, e.g. sponsored/contracted projects, customized degree programs, professional development programs, and the like, up to, but no more than, 20% of his/her full year employment (i.e. 2.4 man-months). The honorarium should not exceed 50% of the payroll recovery.

The President emphasized that application of the above provision should be done with caution.

PAC 07.09.22   **Personal Consultancy**

In the 16 August 2006 Decision Meeting, it was decided that 30% of the total earnings (honorarium before tax) from personal consultancy should be paid back to the employee's responsibility center/field of study.

With effect from 1 January 2008, the 30% levy on the total earnings (honorarium before tax) from personal consultancy shall be earmarked to an Institute's fund to support its initiatives on intellectual property, to facilitate consultancy activities, and the like. (i.e. 70% to consultant, 15% to responsibility center/FoS, and 15% to IP initiatives) The levy amount should not be less than the equivalent salary of the employee for the consulting period.

The meeting noted the question raised by D/SERD on the rationale of the change in distribution of earning from personal consultancy, from what has been originally agreed.

It was *agreed* that exceptions from the policies that will be allowed by the administration should be publicized together with the rationale for granting the exception.

PAC 07.09.23   Research Faculty

PAC recommended that the issue on research faculty be forwarded to Academic Senate (AS) for deliberation. The AS Chair pointed out that the Academic Senate should deliberate not only academic related issues but also research issues & policies.

Academic Issues

PAC 07.09.24   PAC *recommended* that the following agenda items be forwarded to the Academic Senate's consideration and input.
1] Concept Paper for Professional Programs
2] Unified Bachelor-Master's Program
3] Unified Master's-Doctoral Program
4]   MoU and MoA Templates

The concept note on professional programs could be taken up in parallel by both IEC and Academic Senate to initiate discussions. The President informed the meeting that the draft template for unified programs are based on Senate–approved unified programs between AIT and Shivaji University.

The Academic Senate Chair informed that the last Academic Senate meeting has decided to set up a task force on the issue of degree titles. PAC *recommended* that VPAA and AS Chair discuss the issue on degree titles and create a joint AS and IEC task force to deliberate the issue.

PAC 07.09.25   Next Meeting

The next meeting is scheduled for 19 September 20007. The venue will be announced in due course.