LEGISLATIVE COUNCIL BRIEF

ROADMAP FOR BECOMING A PRIVATE UNIVERSITY

INTRODUCTION

At the meeting of the Executive Council on 9 June 2015, the Council ADVISED and the Chief Executive (CE) ORDERED that self-financing post-secondary education institutions registered under the Post Secondary Colleges Ordinance (Cap. 320) (the Ordinance) should meet the following criteria before making an application for university title for consideration by the CE in Council –

(a) have obtained Programme Area Accreditation (PAA) status in at least three areas, which could be sub-areas under the programme areas but must be located among different programme areas;

(b) have demonstrated a certain level of research capability by having successful applications under publicly-funded research-related schemes;

(c) have a minimum student enrolment of 1 500 (full-time equivalent) at degree level for the past two consecutive academic years immediately preceding an application for university title; and

(d) have obtained the Institutional Review status from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) to demonstrate its fundamental ability to meet the standards expected of a university in terms of governance and management, financial sustainability, academic environment, quality assurance (QA) and research capability.

JUSTIFICATIONS

2. After the Hong Kong Shue Yan College (HKSYC) has successfully become a private university (Hong Kong Shue Yan University

(HKSYU)) in 2006, some more mature self-financing post-secondary education institutions are aspiring to become private universities. Coupled with the development and changing landscape of the higher education sector in recent years, there is a need to define a clearer roadmap with criteria for these institutions to follow in acquiring university title.

Definition of University and Authority to Grant the Title

3. There is no definition of "university" in our legislation. While there are slightly different definitions of "university" in different dictionaries and encyclopaedia, it could be generalised as follows – (a) it is an institution of higher education and research; (b) it has a broad curriculum and authority to confer degrees in various fields of study; and (c) it provides both undergraduate and postgraduate education. At present, usage of the title "university" by self-financing post-secondary education institutions in Hong Kong offering local degree programmes is restricted and the decision to award university title rests with the CE in Council[1].

Promulgated Roadmap to Become Private University

4. In the proposal entitled "Reform Proposal for the Education System in Hong Kong" published in September 2000, the Education Commission (EC) recommended, among other things, that the Government should encourage existing private post-secondary colleges to upgrade to universities upon appropriate accreditation. The development of private universities would provide a channel for all sectors of the society to contribute resources and efforts to higher education for the benefit of students. The EC's recommendations were endorsed by the Government.

5. Currently, making reference to the case of former HKSYC, any self-financing post-secondary education institutions seeking to become private universities must go through a series of steps as follows –

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[1] Section 8(1) of the Ordinance provides that the Permanent Secretary for Education (PS(Ed)) "shall not without the prior sanction of the Chief Executive in Council approve any name containing the word 'University' " to be used by institutions registered under the Ordinance. On the other hand, PS(Ed) may, upon consulting the CE in Council, rely on section 40(2)(c) of the Interpretation and General Clauses Ordinance (Cap.1) to revoke the university title granted to post-secondary education institutions just in case this has become necessary. According to section 40(2)(c) of Cap.1, "…where any Ordinance confers power to approve any person or thing, such power include power to withdraw approval thereof."

(a) *Registration as a Post-secondary College:* Any institutions planning to award local degrees must register as a post-secondary college under the Ordinance except for those established pursuant to their respective ordinances[2]. Before registration, an institution is required to go through an Institutional Review by HKCAAVQ to ensure that its governance structure, academic standards and quality, teacher quality, QA mechanisms and financial condition, etc. meet the requirements.

(b) *Seeking approval to award degree under the Ordinance following Learning Programme Accreditation:* For a registered post-secondary college to offer degree, the institution is required to obtain the approval of the CE in Council in accordance with the Ordinance before it can award degree for the programme concerned. Before seeking the approval of the CE in Council, each degree programme is subject to a Learning Programme Accreditation by HKCAAVQ. After an institution has been approved to operate degree programmes, the programmes are subject to Learning Programme Re-accreditation by HKCAAVQ at regular intervals (e.g. a four-year undergraduate programme would normally be subject to Learning Programme Re-accreditation every five years).

(c) *PAA status:* A mature post-secondary college registered under the Ordinance may acquire PAA status in specific areas for its degree programmes. A PAA status is equivalent to self-accrediting status, but is limited in scope, duration and subject to Periodic Review. Pursuant to an earlier review conducted by HKCAAVQ, the eligibility to apply for PAA has been refined as follows –

- seven years of accredited operational experience by a recognised QA body; or

- five years plus qualitative criteria.

PAA status is only conferred to more mature operators with demonstrated and sound track record so that they can develop and offer new programmes in the respective areas at specified

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[2] At present, institutions established pursuant to their respective specific ordinances awarding local degrees include the eight University Grants Committee-funded institutions, the Hong Kong Academy for Performing Arts, the Open University of Hong Kong and the Technological and Higher Education Institute of Hong Kong under the Vocational Training Council.

Qualifications Framework (QF) Level(s) or below for an approved time period, without having to go through prior Learning Programme Accreditation of HKCAAVQ. Assessment of the PAA status by HKCAAVQ comprises two sequential procedures, i.e. Institutional Review and Programme Area Review[3]. The former examines an institution's overall systems and capacity and the institution's overall strategic plan in relation to its blueprint for institutional development in general and for the area under consideration in particular, providing important reference to the institution's capability in achieving its vision[4]. The latter scrutinises the institution's competency to ensure and determine whether the programmes under the area(s) concerned meet the standards as required under QF[5]. PAA status is subject to Periodic Review at regular intervals.

(d) *University title:* Upon acquiring PAA status for degree programmes at undergraduate level (i.e. QF Level 5) in at least <u>three</u> areas, an institution may commission HKCAAVQ to carry out another Institutional Review to evaluate whether the institution has an appropriate academic environment, including institutional structures and processes, resources, QA mechanisms and academic plans *befitting the status of a university*. After that, the institution may make an application for the university title to the CE in Council. After a self-financing post-secondary education institution has acquired the university title, the PAA status obtained is still subject to Periodic Review by HKCAAVQ as mentioned in (c) above.

The Need for Clearer Roadmap with Criteria

6. After the endorsement of the EC's recommendation in 2000 to encourage private post-secondary colleges to upgrade to universities upon

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[3] An institution who is aggrieved by the accreditation determination or decisions made by HKCAAVQ, including those in relation to application for PAA status, can lodge an appeal to the Appeal Board under the Accreditation of Academic and Vocational Qualifications Ordinance (Cap. 592) against the determination or decisions.

[4] Aspects that provide reference to the institution's overall systems and capacity, including overall governance, structure, management, resources, academic environment and QA, will be considered.

[5] The quality and standards of the learning programmes as well as the effectiveness of the programme monitoring and review mechanisms within the area concerned will be considered.

appropriate accreditation, the self-financing post-secondary education sector has undergone a stage of expansion. With the development of the higher education sector and the changing landscape, there is a need to revisit the promulgated roadmap (paragraph 5) to identify room for refinement and set out clearer roadmap with criteria for institutions aspiring to become private universities to follow. For example, we see the need to specify the breadth of areas of which the PAA status should have been obtained before an institution may apply for the university title. There should also be clear indicators on the research capability required, as well as any other requirements or thresholds. In other words, paragraph 5(d) would need to be further elaborated in order to be more transparent about the criteria to fulfill for acquiring university title.

Clearer Roadmap with Refined Criteria

7.   Having regard to the latest development of the self-financing post-secondary education sector and the criteria considered in approving the change of title of former HKSYC, we consider the following factors most relevant in nowadays circumstances in considering application for becoming private universities –

    (a)   breadth of programmes offered;

    (b)   research capability;

    (c)   size and scale of the institution; and

    (d)   governance and management, financial sustainability, academic environment and QA.

8.   The following refined criteria will be adopted –

<u>Breadth of programmes offered</u>

9.   So far, PAA status has been granted to institutions by HKCAAVQ within sub-areas under the list of areas of study and training (Areas) which correspond to the database structure for classifying qualifications under the Qualifications Register[6]. The latest revised draft list of 14 Areas with corresponding sub-areas, which was formulated by re-organising the

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[6]   The Qualifications Register is a centralised online database of quality-assured qualifications under QF.

previous list of 21 Areas and to be finalised later in 2015, is at **Annex A**[7]. There is the question of whether the three PAAs to be obtained before applying for university title could involve only the sub-areas under the Areas or otherwise.

10.   With a small student population in Hong Kong, it may not be appropriate for us to request each and every university to offer programmes in both arts and science disciplines.   Nonetheless, in order to ensure there is sufficient breadth of programmes offered by a university, we shall maintain the current requirement for PAA status in at least three areas at undergraduate level (i.e. QF Level 5) for fulfilling one of the criteria to apply for university title, while specifying clearly that the three PAA status required could be sub-areas under the Areas but must be located among different Areas.   The PAA status at QF Level 5 covering undergraduate programmes is subject to Periodic Review typically at five-year intervals.

Research capability

11.   We consider that a self-financing post-secondary education institution aspiring to become a university should be able to demonstrate a certain level of research capability covering professional development and scholarly activities.   For the local self-financing degree sector, it is understandable that their research capability may not be comparable to that of University Grants Committee (UGC)-funded institutions due to lack of recurrent funding support from the Government.   In this connection, the Government recognises the merit of supporting self-financing degree awarding institutions to conduct research, particularly research that informs teaching.   To this end, a new injection has been made into the Research Endowment Fund with $3 billion designated to support the academic and research development of local self-financing degree-awarding sector on a competitive basis.   Three schemes have been made available under the competitive research funding schemes for the local self-financing degree sector since December 2013 –

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[7]   The list of Areas was recently reviewed by the Liaison Committee on Quality Assurance (LCQA), and the corresponding sub-areas are proposed by HKCAAVQ with major feedback collected from HKCAAVQ's consultation with stakeholders incorporated.   As a matter of fact, the list of Areas with corresponding sub-areas is subject to review from time to time, taking into account the latest developments in the education and training arena. LCQA comprises representatives of three QA bodies in Hong Kong (namely HKCAAVQ, the Quality Assurance Council under the University Grants Committee and Joint Quality Review Committee) as well as the Education Bureau to promote sharing of good practices among all the QA bodies and enhance consistency and transparency so as to enhance accountability.

(a) *Faculty Development Scheme* – To develop the research capability of individual academics in the local self-financing degree-awarding institutions so that they can transfer their research experiences and new knowledge into teaching and learning;

(b) *Institutional Development Scheme* – To build up the research capacity of the institutions in their strategic areas; and

(c) *Inter-Institutional Development Scheme* – To enhance academics' research capability in the local self-financing degree-awarding institutions and keep them abreast of new developments and challenging research topics in relevant fields.

12.   Successful application(s) under the funding scheme(s) above and/or those from public funding sources such as the Innovation and Technology Fund, should serve as evidence that the self-financing post-secondary education institution is starting to build up its research capability for fulfilling the relevant prerequisite to apply for university title. Any other evidence that indicates the institutions' research capability and standards such as the qualifications of staff, publication records, research collaboration opportunities, and plans for creating and sustaining a quality research training environment would also be considered. Besides, the assessment of this criterion and the evidence would be incorporated into the Institutional Review for self-financing education institutions aspiring to become a university (see paragraph 14 below).

Size and scale of the institution

13.   Currently, there is no requirement on the student population of an institution for registration under the Ordinance. In order to ensure there is sufficient breadth of programme offering, reasonable interaction among students and different activities provided for whole person development of university students, we consider that the institution should have a minimum student enrolment of 1 500 (full-time equivalent[8]) at degree level for the

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[8]   Full-time equivalent (FTE) is the unit used for counting student numbers in order to report the approximate size of an institution. FTE numbers are to be calculated on the basis of the proportion of time spent by a student on a course compared with the time which would be spent on an equivalent full-time course. Thus, full-time students enrolled on full-time courses of any sort are counted as one, i.e. 1 headcount = 1 FTE. Part-time students at all levels are to be counted on a pro-rata basis according to the normal duration of the course (or to the normal duration of an equivalent full-time course).

past two consecutive academic years immediately preceding an application for university title.

<u>Governance and management, financial sustainability, academic environment and QA</u>

14.   For any self-financing post-secondary education institutions registered under the Ordinance aspiring to become private universities, we shall maintain the current requirement that they should have undertaken a successful Institutional Review to demonstrate its fundamental ability to meet the standards expected of a university in terms of governance and management, financial sustainability, academic environment and QA, as well as research capability as mentioned in paragraphs 11 and 12 above. The Institutional Review will determine whether the institution concerned has put in place a well-managed academic community, embracing all members of staff, guided by carefully formulated academic development, staffing and resource plans with implemented systematic and transparent processes[9] [10].   Apart from the criterion on research capability which is elaborated above, the other criteria are elaborated as follows –

(a) *Governance and management:* An institution should have a governing body whose composition should have appropriate representation and strength to ensure satisfactory academic and general standards and conduct; and the authority and duty to ensure that the mission of the institution is implemented.   Areas at the institutional level that will be considered include governance, management and institutional structure.   As stipulated under the Ordinance, the management powers of the institution are vested in three bodies, namely the Board of Governors, the Council, and the Academic Board.   Separately, one of the key issues that will be considered in the Institutional Review in this respect is the role of the institution in the higher

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[9]   The Institutional Review on institutions aspiring to become private universities will focus on implemented institutional plans, policies and processes, the outcomes achieved, and whether performance was effectively managed over an extended period of time.

[10]   Subsequent to the Institutional Review and apart from the Periodic Review of PAA as mentioned under paragraph 5 above, private universities to be established will be required to submit annual progress report together with audited financial report to the Education Bureau (EDB).   EDB will commission HKCAAVQ to review the reports and provide independent expert advice to EDB.   We see it advisable to require annual reporting from private universities for the sake of public interests and to ensure their teaching quality and financial sustainability.

education sector in Hong Kong in terms of its mission/objective and philosophy[11]. Also, the governing body of the institution should be an active policy-making group which is ultimately responsible for making management and academic decisions, for ensuring sufficient resources for viable and sustainable development of the institution.

(b) *Financial sustainability*: The institution should have an adequate financial resource base to support its programmes of study at an acceptable level of quality on a sustainable basis. Evidence such as financial resource plans which can demonstrate adequate resource support for the planned programmes of study and planned student numbers, as well as previous financial track record will be considered.

(c) *Academic environment*: A robust academic environment reflects a sustainable academic leadership which could bring teaching and research into fruition for continuous enhancement of student learning. An appropriate academic leadership structure should demonstrate an adequate division of labour related to academic governance broadly and programme leadership specifically. In this connection, areas at the institutional level that will be considered include implementation of academic plans[12], effective programme design and review, staffing[13], staff development and supervision, student admission, monitoring of student performance, student services and student records. In this regard, one of the key issues that will be considered in the Institutional Review is whether the academic development plans of an institution, including its long term plans to develop new areas and introduce changes to level or nature of programmes in tandem with planned, are guided by institutional philosophy or mission. This is particularly important in assessing whether the institution has the capacity to develop and oversee new programme areas in future.

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[11] Documentary evidence such as the institutional mission and vision statements and strategic plans for the next three to five years will be considered.

[12] The long-term academic development plan of the institution concerned will be considered, including staff and research plans and also plans in offering undergraduate and any taught postgraduate/research degree programmes.

[13] Relevant indicators of a robust academic environment in relation to staffing include qualifications of full-time academic staff, percentage of full-time and/or permanent teaching staff, and student-staff ratio.

(d)   *QA:* The institution should have clear policies or procedures to monitor the quality of its activities and quality and standards of its programmes. Evidence of effective implementation of the policies and procedures for maintaining quality of its activities and programmes at the outcome standards befitting the qualifications, as well as evidence showing their capacity and capability of performance improvement will be considered[14].

15.   The Education Bureau (EDB) will take into account the outcome of the Institutional Review and consideration of other criteria as detailed above in making a recommendation for consideration by the CE in Council.

Other consideration

16.   Given the definition of "university" mentioned in paragraph 3, there is the question of whether we should require a post-secondary college to be offering postgraduate programmes before it may apply for the university title.

17.   We consider that we should not impose a requirement for post-secondary colleges to be offering postgraduate programmes before applying for the university title as we would like to allow flexibility for the private universities to focus on the offering of bachelor's degree programmes if they so wish. This was agreeable to the stakeholders that we have consulted. Nonetheless, there were views that institutions should be required to develop their postgraduate programmes within a certain period *after* the acquisition of university title to meet the public expectation of what a university should normally provide as well as to provide opportunities for advance learning. On this, we consider that so long as there are considerable research activities to inform teaching and learning, the absence of postgraduate programmes should not be an obstacle for a post-secondary college to live up to the standard required of a private university. Moreover, as mentioned above, flexibility should be allowed for individual private universities to focus on the offering of bachelor's degree programmes. As a matter of fact, some post-secondary colleges are already offering or planning to offer postgraduate programmes in due course.

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14   Relevant indicators of teaching and learning quality include student retention trend, and numbers of graduates taking up employment or further study.

WAY FORWARD

18.   With the CE in Council's approval of the relevant criteria, the revised roadmap with criteria for acquiring university title for post-secondary colleges registered under the Ordinance is at **Annex B**. EDB will commission HKCAAVQ to develop a manual on Institutional Review for the purpose of applying for university title for the reference of relevant institutions planning to undergo the Institutional Review. The manual will provide an overview of the accreditation process including the necessary preparation work, the criteria involved and the possible outcome.

IMPLICATIONS OF THE PROPOSAL

19.   The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no significant economic and sustainability implications, and no financial and civil service, productivity, environmental or family implications.

PUBLIC CONSULTATION

20.   We have consulted UGC, the Liaison Committee on Quality Assurance and Committee on Self-financing Post-secondary Education[15] on the clearer roadmap with refined criteria for self-financing post-secondary education institutions to follow in acquiring university title. They agree that there is a need to define a clearer roadmap with criteria, and consider the refined criteria largely agreeable.

PUBLICITY

21.   A spokesman will be available for answering public enquiries.

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[15]   In order to oversee the strategic development of the sector and to advise the Government, the Committee on Self-financing Post-secondary Education (CSPE) was established on 1 April 2012 in response to the recommendation of the UGC's Report on Higher Education Review 2010. CSPE serves as a useful platform for discussing macro and strategic issues of common interest to the self-financing post-secondary education sector, as well as promoting quality and good practices.

BACKGROUND

22.   The Open University of Hong Kong (OUHK) (awarded university title in 1997) and HKSYU (awarded university title in 2006) are the only two non-UGC-funded institutions in Hong Kong which have acquired university title so far.   While OUHK has its own legislation, HKSYU is registered under the Ordinance.   When considering the former HKSYC's application to become HKSYU in December 2006, the CE in Council had taken into account the following factors in particular –

   (a)   It has been authorised to award a range of degrees in different disciplines;

   (b)   It has acquired self-accrediting status[16]; and

   (c)   It has set up sound internal governance and QA structures.

23.   As for OUHK, it was formerly known as the Open Learning Institute of Hong Kong (OLI) which was set up under the OLI Ordinance (Cap. 1145) in 1989, with the power to make academic awards including degrees.   On 1 October 1996, the then Governor in Council decided that OLI should assume the responsibility of accrediting its own degree courses, subject to periodic external institutional reviews by the former Hong Kong Council for Academic Accreditation (HKCAA)[17].   In recommending that OLI be granted self-accrediting status, HKCAA had conducted an institutional review of OLI and concluded that the Institute had matured sufficiently for the award of this status.   In the light of experience of the former City Polytechnic of Hong Kong, Hong Kong Baptist College and Hong Kong Polytechnic, the OLI Council proposed changing OLI's title and internal governance structure with its self-accrediting status.   The proposed new title was approved by the then Governor in Council having regard to the following considerations –

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[16]   Former HKSYC had acquired PAA status in three areas at that time, namely Arts, Social Sciences and Commerce.

[17]   HKCAA was established in 1990 as an independent statutory body to provide authoritative advice on academic standards of degree programmes in higher education institutions in Hong Kong.   In 2007, the Council was reconstituted under the HKCAAVQ Ordinance (Cap. 1150) and became HKCAAVQ.   HKCAAVQ took on responsibility for the vocational sector and statutory roles as the Accreditation Authority and Qualifications Register Authority under QF.

(a)   OLI was the only autonomous, self-accrediting, degree-awarding institution in Hong Kong at that time which had yet to be awarded university status;

(b)   the great majority of institutions offering degree level, distance learning courses around the world have university title;

(c)   the quality of OLI courses was recognised by established open universities outside Hong Kong;

(d)   OLI had eight years of experience in offering degree programmes at that time; and

(e)   OLI had also been building up its research capacity in its field of expertise.

As a result, OLI changed the title to OUHK in May 1997.

ENQUIRIES

24.   In case of enquiries, please contact Ms Pecvin Yong, Principal Assistant Secretary for Education, at 3509 8502.

Education Bureau
July 2015

**Revised Draft List of 14 Areas of Study and Training
and their Corresponding Sub-areas**

	Areas of Study and Training	Sub-areas
1.	Medicine, Dentistry and Health Sciences	Medicine Pharmacy Dentistry Nursing Veterinary Science and Medicine Other Therapies Health Care Occupational Safety and Health Nutritional Studies
2.	Sciences	Life Sciences Physical Sciences Mathematics and Statistics
3.	Computer Science and Information Technology	Computer Science and Information Technology
4.	Engineering and Technology	Electrical, Electronic and Mechanical Engineering and Services Manufacturing Technology Civil Engineering Bioengineering and Biotechnology Other Engineering, Related Technology and Services Textile and Clothing Technology Automotive Precision Trades Other Technical Studies and Training
5.	Architecture and Town Planning	Architecture, Construction and Town Planning Construction Management
6.	Business and Management	General Business Management Property and Facilities Management Wholesale, Retailing, Import and Export, Merchandising Estates Agency Accounting, Finance and Investment Transports and Logistics Banking Insurance Economics
7.	Social Sciences	Security and Disciplinary Forces Studies Social and Behavioural Sciences Social Services
8.	Law	Law
9.	Mass Media and Communications, Journalism and Public Relations	Mass Media and Communications, Journalism and Public Relations
10.	Languages and Related Studies	Languages and Related Studies

	Areas of Study and Training	Sub-areas
11.	Humanities	Humanities
12.	Arts, Design and Performing Arts	Performing Arts Fine Arts and Visual Arts Design and Other Creative Industries Arts Management
13.	Education	Education and Teacher Education
14.	Services	Beauty and Hairdressing Gardening and Horticulture Domestic Services Catering, Food and Beverage Services Hotel and Tourism Recreation, Leisure and Sports Management MICE and Event Management Elderly Care Service Animal and Pet Care

**Revised Roadmap with Criteria
for Acquiring University Title
by Post-secondary Colleges Registered under
Post Secondary Colleges Ordinance (Cap. 320)**

Revised Roadmap with Criteria

Any self-financing post-secondary education institutions seeking to become private universities must go through a series of steps as follows –

(a) *Registration as a Post-secondary College*

2. Any institutions planning to award local degrees must register as a post-secondary college under the Post Secondary Colleges Ordinance (Cap. 320) (the Ordinance) except for those established pursuant to their respective ordinances. Before registration, an institution is required to go through an Institutional Review by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) to ensure that its governance structure, academic standards and quality, teacher quality, quality assurance (QA) mechanisms and financial condition, etc. meet the requirements. For details, institutions may refer to the *Guidelines on Institutional Review for the Purpose of Seeking Cap. 320 Registration* published by HKCAAVQ (*www.hkcaavq.edu.hk*).

3. The authority for registration under the Ordinance rests with the Permanent Secretary for Education who may take into account the outcome of the Institutional Review by HKCAAVQ, requirements of the Ordinance and relevant regulations under the Post Secondary Colleges Regulations (Cap. 320A).

(b) *Seeking approval to award degree under the Ordinance following Learning Programme Accreditation*

4. For a registered post-secondary college to offer degree, the institution is required to obtain the approval of the Chief Executive (CE) in Council in accordance with the Ordinance before it can award degree for the programme concerned. Before seeking the approval of the CE in Council, each degree programme is subject to a Learning Programme Accreditation by HKCAAVQ. After an institution has been approved to operate degree programmes, the programmes are subject to Learning

Programme Re-accreditation by HKCAAVQ at regular intervals (e.g. a four-year undergraduate programme would normally be subject to Learning Programme Re-accreditation every five years). For details, institutions may refer to the *Guidance Notes on Initial Evaluation, Learning Programme Accreditation and Learning Programme Re-accreditation* published by HKCAAVQ.

(c) *Programme Area Accreditation (PAA) status*

5. A mature post-secondary college registered under the Ordinance may acquire PAA status in specific areas for its degree programmes. A PAA status is equivalent to self-accrediting status, but is limited in scope, duration and subject to Periodic Review. Pursuant to an earlier review conducted by HKCAAVQ, the eligibility to apply for PAA has been refined as follows –

- seven years of accredited operational experience by a recognised QA body; or

- five years plus qualitative criteria.

6. PAA status is only conferred to more mature operators with demonstrated and sound track record so that they can develop and offer new programmes in the respective areas at specified Qualifications Framework (QF) Level(s) or below for an approved time period, without having to go through prior Learning Programme Accreditation of HKCAAVQ. Assessment of the PAA status by HKCAAVQ comprises two sequential procedures, i.e. Institutional Review and Programme Area Review. The former examines an institution's overall systems and capacity and the institution's overall strategic plan in relation to its blueprint for institutional development in general and for the area under consideration in particular, providing important reference to the institution's capability in achieving its vision. The latter scrutinises the institution's competency to ensure and determine whether the programmes under the area(s) concerned meet the standards as required under QF. PAA status is subject to Periodic Review at regular intervals, prior to expiry of the validity period specified by HKCAAVQ. For details, institutions may refer to the *Guidance Notes on PAA and Guidance Notes on Periodic Review* published by HKCAAVQ.

(d) *University title*

7.   Upon acquiring PAA status for degree programmes at undergraduate level (i.e. QF Level 5) in at least <u>three</u> areas, which could be sub-areas under the areas of study and training (Areas)[1] but must be located among different Areas, an institution may commission HKCAAVQ to carry out another Institutional Review to evaluate whether the institution has the fundamental ability to meet the standards expected of a university, provided that it has a minimum student enrolment of 1 500 (full-time equivalent[2]) at degree level for the past two consecutive academic years immediately preceding an application for university title[3].   The criteria to be considered in the Institutional Review by HKCAAVQ are elaborated as follows –

(i)   <u>Governance and management</u>: An institution should have a governing body whose composition should have appropriate representation and strength to ensure satisfactory academic and general standards and conduct; and the authority and duty to ensure that the mission of the institution is implemented.   Areas at the institutional level that will be considered include governance, management and institutional structure.   One of the key issues that will be considered by HKCAAVQ in this respect is the role of the institution in the higher education sector in Hong Kong in terms of its mission/objective and philosophy[4].   Also, the governing body of the institution should be an active policy-making group which is ultimately responsible for making management and academic decisions, for ensuring sufficient resources for viable and sustainable development of the institution.

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[1]   The list of Areas corresponds to the database structure for classifying qualifications under the Qualifications Register.

[2]   Full-time equivalent (FTE) is the unit used for counting student numbers in order to report the approximate size of an institution.   FTE numbers are to be calculated on the basis of the proportion of time spent by a student on a course compared with the time which would be spent on an equivalent full-time course.   Thus, full-time students enrolled on full-time courses of any sort are counted as one, i.e. 1 headcount = 1 FTE.   Part-time students at all levels are to be counted on a pro-rata basis according to the normal duration of the course (or to the normal duration of an equivalent full-time course).

[3]   The minimum student enrolment number required will be confirmed by the Education Bureau before the Institutional Review is commenced.

[4]   Documentary evidence such as the institutional mission and vision statements and strategic plans for the next three to five years will be considered.

(ii) Financial sustainability: An institution should have an adequate financial resource base to support its programmes of study at an acceptable level of quality on a sustainable basis. Evidence such as financial resource plans and previous financial track record will be considered.

(iii) Academic environment: An institution should have an appropriate academic leadership structure with adequate division of labour related to academic governance broadly and programme leadership specifically. In this connection, areas at the institutional level that will be considered include implementation of academic plans[5], effective programme design and review, staffing[6], staff development and supervision, student admission, monitoring of student performance, student services and student records. In this regard, one of the key issues that will be considered is whether the academic development plans of an institution, including its long term plans to develop new areas and introduce changes to level or nature of programmes in tandem with planned, are guided by institutional philosophy or mission.

(iv) QA: An institution should have clear policies or procedures to monitor the quality of its activities and quality and standards of its programmes. Evidence of effective implementation of the policies and procedures for maintaining quality of its activities and programmes at the outcome standards befitting the qualifications, as well as evidence showing their capacity and capability of performance improvement will be considered[7].

(v) Research capability: An institution should have successful application(s) under the funding scheme(s) of the Research Endowment Fund and/or those from public funding sources. Any other evidence that indicates the institutions' research capability and standards would also be considered.

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[5] The long-term academic development plan of the institution concerned will be considered, including staff and research plans and also plans in offering undergraduate and any taught postgraduate/research degree programmes.

[6] Relevant indicators of a robust academic environment in relation to staffing include qualifications of full-time academic staff, percentage of full-time and/or permanent teaching staff, and student-staff ratio.

[7] Relevant indicators of teaching and learning quality include student retention trend, and numbers of graduates taking up employment or further study.

8.　　　For details, institutions may refer to the *Institutional Review Manual for Private University Title* which the Education Bureau (EDB) will commission HKCAAVQ to develop.　After an institution has successfully gone through the Institutional Review, it may make an application for the university title to the CE in Council via EDB.　EDB will take into account the outcome of the Institutional Review and relevant consideration in making a recommendation for consideration by the CE in Council.

Monitoring

9.　　　After a self-financing post-secondary education institution has acquired the university title, the PAA status obtained is still subject to Periodic Review by HKCAAVQ as mentioned in paragraph 6 above. Moreover, with a view to ensuring teaching quality and financial sustainability of private universities for the sake of public interests, private universities to be established will be required to submit annual progress report together with audited financial report to EDB.　EDB will commission HKCAAVQ to review the reports and provide independent expert advice to EDB.　EDB will also commission HKCAAVQ to develop an *Annual Reporting Manual for Private University* where detailed requirements of the annual progress report and audited financial report will be set out.

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