

## **Pre-primary Education Voucher Scheme**

### **Guidance Notes on Voucher Redemption (2010/11 School Year)**

These Guidance Notes, which provide further details on the implementation of the Pre-primary Education Voucher Scheme (PEVS) in accordance with the Circular No.1/2007, aim at explaining to KG operators the calculation method and procedures of voucher redemption. From the 2010/11 school year, only non-profit-making kindergartens (NPM KGs) are eligible for joining PEVS. The operation of voucher redemption in the 2010/11 school year is in general the same as that in the 2009/10 school year.

#### **Introduction**

According to the Education Bureau Circular No. 1/2007 on “New Initiatives in Pre-primary Education”, starting from the 2007/08 school year, the Education Bureau (EDB) has implemented a PEVS to provide fee subsidy for parents with children attending nursery class (K1), lower class (K2) or upper class (K3) in local NPM KGs (including kindergarten-cum-child care centres and schools with kindergarten classes) and subsidy for professional development of teachers. The process of kindergartens (KGs) applying for fee subsidy and teacher development subsidy, which are calculated on the basis of intake of pupils with a Certificate of Eligibility (CE), is known as voucher redemption.

#### **1. Calculation Method for Subsidy under the PEVS**

##### *Fee Subsidy under the PEVS*

- 1.1 In the 2010/11 school year, the fee subsidy is **\$14,000** per pupil per annum. Regardless of whether the school year starts in August or September, the voucher will be redeemed on a monthly basis from August 2010 to July 2011. The fee subsidy of the first instalment is \$1,174 while that for the remaining eleven instalments is \$1,166 per instalment. The KG shall redeem the voucher for its pupils monthly and collect the outstanding amount of the school fee after voucher redemption pursuant to the number of instalments and the fee as specified in the Fees Certificate.
- 1.2 When a KG redeems the voucher, the amount of subsidy is calculated on the basis of its monthly intake of pupils. In other words,
  - the amount of subsidy to be redeemed in August 2010 by a KG = number of pupils in August (on the first school day) x \$1,174. As for a KG commencing school year in September, the amount of subsidy to be redeemed for August shall also be calculated on the pupils attending in September (on the first school day).
  - As for the remaining eleven months, the monthly amount of subsidy to be redeemed by a KG = the number of pupils of the month (on the first school day) x \$1,166.

Example 1: A KG starts the school year in August. The number of pupils in August and September are 100 and 102 respectively. As a result, the amounts of subsidy for August and September are \$1,174 x 100 and \$1,166 x 102 respectively.

Example 2: A KG starts the school year in September. The number of pupils in September is 100. As a result, the amounts of subsidy for August and September are

\$1,174 x 100 and \$1,166 x 100 respectively.

- 1.3 If a KG does not have any normal classes for the whole month immediately before the end of redemption period of the school year, the amount of subsidy for the month should be calculated on the number of pupils in the previous month (on the first school day). For example, if a KG starts its summer holidays from July, the amount of subsidy to be redeemed for July shall also be calculated on the pupils attending in June.
- 1.4 The monthly fee subsidy for each pupil can only be redeemed in one KG. Should there be any new intakes, dropouts or transfers of pupils during the school year, the calculation method on voucher redemption will be as follows (please refer to Appendix 1 for reference):
  - 1.4.1 If a pupil is transferred to another KG in a certain month, the former KG can still redeem the fee subsidy for the month while the new KG can only redeem the fee subsidy for the following months. For instance, a pupil is transferred to another KG in mid-November 2010. The former KG can redeem the fee subsidy of \$1,166 for November while the new KG can only redeem the fee subsidy from December onwards (\$1,166 per monthly instalment).
  - 1.4.2 If a child is admitted to a KG in a certain month, and the voucher for the month has not been redeemed by any KG, the KG can redeem the child's fee subsidy for the month even though the date of admission does not fall on the first school day of the month.

Example 1: In this school year, a child with a CE enrolled in a KG for the first time in mid-December. The KG can redeem the child's fee subsidy from December 2010 onwards (\$1,166 per monthly instalment).

Example 2: A pupil with a CE drops out of a KG in mid-November 2010, and is re-admitted to another KG in mid-February 2011. The latter can redeem the pupil's fee subsidy from February 2011 onwards (\$1,166 per monthly instalment).
  - 1.4.3 For pupils with a CE newly admitted during the school year, KGs should collect the school fee after the redemption of the voucher as shown on the Fees Certificate.
  - 1.4.4 For a KG which starts the school year in September 2010 and admits pupils having studied in August 2010 in another KG which starts the 2010/11 school year in August, please note that the fee subsidy of the newly-admitted pupils for August will be redeemed by the former eligible KG. For instance, a child attends KG "A" (which starts the school year in August) in August 2010 but is transferred to KG "B" (which starts the school year in September) from September 2010, the fee subsidy for August will be redeemed by KG "A". Subsequently, KG "B" can redeem the fee subsidy for only the remaining eleven months if the child continues to study there until the end of the school year.

#### Teacher Development Subsidy under the PEVS

- 1.5 Regarding the Teacher Development Subsidy (TDS), the method of calculation relating to overall subsidy rate, pupil transfer, and instalments is the same as that of fee subsidy (as stated in paragraphs 1.1 to 1.4 above). The TDS entitled by a KG in the 2010/11 school year is calculated according to the number of eligible pupils in the KG. The pupils eligible for counting towards TDS are the pupils who are

- holders of valid CE; or
- beneficiaries of Child Care Centre Fee Assistance Scheme,

TDS is calculated at a rate of \$2,000 per pupil per annum in the 2010/11 school year and will be redeemed by 12 instalments from August 2010 to July 2011. The first instalment of subsidy per pupil is \$174 while that for the remaining eleven instalments is \$166 per instalment. The monthly TDS = Number of KG pupils (on the first school day) in the month x monthly rate

## **2. Payment Arrangement of Subsidy**

- 2.1 As it takes time to verify a substantial amount of pupil information in order to calculate the subsidy, EDB will disburse provisional subsidy to KGs in advance based on the projected enrolment of pupils. Adjustments of subsidy will be made right after verifying schooling information of pupils, which will be conducted by phases. Please refer to the followings for details.

### Fee Subsidy under the PEVS

- 2.2 KGs eligible for voucher redemption will receive a provisional monthly fee subsidy upon commencement of the month from August 2010, irrespective of the school year starting in August or September. The first subsidy will be disbursed in early August. In early school year, the amount of provisional subsidy for each month is based on the projected enrolment reported by KG in late June (see Form 1). After the first verification of pupil schooling information, the monthly provisional subsidy will be based on the latest verified enrolment of pupils.
- 2.3 EDB will verify schooling information of pupils and then calculate the subsidy entitled by KGs (taking account of pupil changes such as transferred pupils and whole-month absentees) in 4 phases during the school year. After verifying the pupil information, any overpayment or underpayment of subsidy will be adjusted accordingly by the end of **December 2010, March, June and August 2011.**
- 2.4 Flowchart and examples of disbursement of subsidy are given in Appendix 2.

### Teacher Development Subsidy under the PEVS

- 2.5 The payment arrangement of TDS is similar to that of fee subsidy. KGs eligible for voucher redemption will receive a provisional monthly TDS upon commencement of the month from August 2010, irrespective of the school year starting in August or September. The first subsidy will be disbursed in early August. EDB will verify the monthly enrolment of pupils by phases and will make corresponding adjustments. The amount of provisional monthly TDS will also be based on the latest verified enrolment of pupils.

## **3. Verification of Pupil Information and Calculation of Subsidy of Transferred Pupils**

- 3.1 Since EDB has to verify pupil attendance information and then calculate the monthly subsidy payable to KGs, KGs are required to report the information on pupils holding a CE, such as new intakes and dropouts on specified dates. The details of procedures are

as follows.

3.1.1 Firstly, KGs are required to update the information of their pupils (who are studying in August and September in 2010/11) in one go on or before 18 September 2010 via the internet. EDB will transfer records of K1 and K2 pupils of 2009/10 in the computer database to K2 and K3 levels respectively. KGs are then required to confirm the pupil information of those promoted to K2 and K3 (and delete the records of those that have withdrawn before the start of 2010/11), to input new intakes and report those drop out on or before 18 September 2010. The information of pupils to be reported are:

- name of pupil (must be identical with the name on the CE)
- number of CE for the PEVS
- class attended (e.g. KG lower class)
- first date of attendance in the current school year
  - existing pupils: school commencement date of the current school year
  - new pupils registered for the current school year: the first school day of the pupils
- last date of attendance (applicable to dropouts only)

3.1.2 From 20 September onwards, KGs have to report to the Voucher Redemption Team (VRT) new pupils enrolled and dropouts within 7 days of occurrence. Please refer to Appendix 3 for standard forms for reporting changes of schooling information of pupils.

3.2 KGs are not required to report information of pupils not holding a CE by the above-said procedures. The Kindergarten and Support Section 2 of this Bureau will collect information of pupils receiving subsidy under Child Care Centre Fee Assistance Scheme from kindergartens for the purpose of calculation of TDS.

#### **4. Points to Note by KGs**

4.1 When parents have decided to choose a KG which is eligible for voucher redemption and their children holding CE are admitted to the KG, they can present the original of the CE to the KG for safe-keeping during registration. The KG should issue the receipt at Form 2A or Form 2B (see Appendix 3) to parents to acknowledge that the CE has been received. KGs may collect registration fee on registering new pupils. In case the amount of the registration fee exceeds the tuition fee less fee subsidy in the first month, KGs have to refund the difference in the amount to parents upon commencement of school year.

4.2 KGs should explain the dropout procedures to parents on admission of new pupils to avoid unnecessary disputes. As CE is the property of pupils, it should be returned to their parents once they drop out. Form 2C or Form 2D (see Appendix 3) can be used as parents' receipts. KGs may inform parents by written notice of how it will handle unclaimed CE after their holders withdraw from the KG. For example, an unclaimed CE for more than 8 months after its holder's withdrawal will be considered as abandoned, and will be shattered.

4.3 Some children may not have CE when they seek admission to KGs. If their application for CE is under process, KGs may exercise flexibility by charging the amount of school fee after voucher redeemed to make it convenient for parents. KGs should report to VRT by using Form 2B upon children have been issued with a CE

KGs must report these late CE cases as soon as possible so as to redeem within the school year. EDB will not accept applications for redemption for any period in the previous school year. Once a pupil presents a CE to show his/her eligibility to pay the fee after voucher redeemed, the KG should return any over-charged tuition fee to the parents as soon as possible.

- 4.4 If pupils receiving school fee subsidy under PEVS have been absent from school for a whole month, KGs should report the absentees' information by using Form 4 so that VRT can determine whether to suspend the disbursement of fee subsidy on individual basis. If pupils have been absent from school for a whole month due to illness, certified copies of the supporting documents (such as certificate of sick leave, admission to hospital and discharge from hospital) should be submitted to VRT by schools together with Form 4. Pupils who have been absent from school for a whole month normally will not receive fee subsidy for the month unless the cause of absence is due to illness.
- 4.5 As KGs joining PEVS have to report pupil information such as new intakes, dropouts and whole-month absentees during school year to VRT regularly, KGs should designate a staff member to liaise with VRT on matters concerning voucher redemption.

## **5. Points to Note by Parents (for Reference by KGs)**

- 5.1 Upon receiving a CE, parents will also receive a copy of the "Guidance Notes to Parents on Voucher Redemption" which reminds them of the points to note in redeeming voucher. Key messages of the Guidance Notes are as follows:
  - 5.1.1 Children holding a CE for the PEVS will receive school fee subsidy only if they are enrolled in KGs approved to join PEVS. The fee subsidy for the 2010/11 school year will be \$14,000 per pupil per annum.
  - 5.1.2 When children are admitted to a KG which is eligible for voucher redemption and their parents have decided to choose the KG, the original of the CE can be handed to the KG for safe-keeping. The KG will issue Form 2A or Form 2B to parents to acknowledge receipt of the CE. If a child gets a CE for PEVS sometime after admission to a KG, the parent should present the CE to the KG as soon as possible so as to effect redemption within the school year.
  - 5.1.3 If the approved school fee is higher than the fee subsidy, parents should pay the difference by instalments. The amount of school fee payable and the number of instalments are set out on Fees Certificate issued to KGs by EDB. Parents should pay school fee according to what have been stated on the Fees Certificate. If the school fee charged is lower than the fee subsidy, parents will not have to pay the school fee, nor will they receive the difference.
  - 5.1.4 The CE for PEVS carries an expiry date, it can only be redeemed during the validity period. EDB will not redeem an expired CE. The validity period of the CE will not be extended under normal circumstances. Children reaching the age of 6 or above should normally attend primary schools, and support services are available for primary school pupils with special educational needs. Application for extension of validity of the CE will only be considered under very special circumstances. In the event of such application, the applicant must provide strong and solid proof, for example, an assessment report issued by registered medical practitioner or professional, confirming the need for the child to pursue pre-primary education for a period longer than the normal three years.

- 5.1.5 If a child is granted limited stay in Hong Kong by the Immigration Department, the validity period for receiving subsidy under PEVS should last until the end of his permitted stay. If the child is permitted to extend his stay by the Director of Immigration and his parents also wish to keep on receiving fee subsidy, they should re-submit their application to the Student Financial Assistance Agency at least one month before the expiry of the visa.
- 5.1.6 If a child will not be able to attend school for a period of time, parents should inform the KG at their earliest convenience so that EDB will determine whether the disbursement of fee subsidy should be suspended in the light of individual absence cases.
- 5.1.7 If a child is transferred to another KG during the validity period of the CE, his parents should inform the original KG of their decision of dropping out. The original KG will then return the CE to the parents and Form 2C or Form 2D should be signed by parents to confirm receipt of the CE.
- 5.1.8 If parents wish to receive school fee subsidy continuously after their child is transferred to another KG, they have to select a KG eligible for voucher redemption. They should also pay attention to the school fee charged by the new KG, in particular the amount they have to pay after deducting the fee subsidy.
- 5.1.9 The CE for PEVS will be returned to parents after the child has completed KG education.
- 5.1.10 For pupils receiving fee subsidy under PEVS, they can apply for fee remission from the Kindergarten and Child Care Centre Fee Remission Scheme if their families have financial difficulty and are in need of additional fee reduction.
- 5.1.11 Pupils aged 6 or above should normally be attending primary schools. For enquiries regarding the Primary One Admission System, please call the EDB enquiry hotline at 2891 0088. Regarding support services for primary school pupils with special educational needs, please visit the following webpage:

<http://www.edb.gov.hk/index.aspx?nodeid=154&langno=1>

## **6. Enquiries and Correspondence**

On voucher redemption procedures:

Voucher Redemption Team, Education Bureau

Telephone: 3107 2076

Fax: 3106 0319

Address: Room 2507, Hopewell Centre, 183 Queen's Road East, Wan Chai

On teacher development plan or teacher development subsidy:

Kindergarten and Support Section 2, Education Bureau

Telephone: 2186 6735

Fax: 3105 0277

Address: Room 3603, 248 Queen's Road East, Wan Chai

To: Voucher Redemption Team, Education Bureau (Fax no.: 31060319)

**Application for Subsidy under the Pre-primary Education Voucher Scheme (2010/11)**

(Applicable to Eligible Kindergartens)

(To be returned to the Voucher Redemption Team by fax on or before **30 June 2010**.)**Part A** Our kindergarten/ kindergarten-cum-child care centre is eligible to join PEVS in the 2010/11 school year. The particulars of our kindergarten are as follows:

Name of Kindergarten	(in English)		
	(in Chinese)		
School Address			
School No.- Location No.			
Contact Person	(principal/ senior teacher/ others*)	Tel. No.	

\* Please delete where inappropriate

**Part B** Estimated Number of Pupils

The estimated number of pupils with Certificate of Eligibility (CE) at the beginning of the 2010/11 school year:	
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Name of Principal: \_\_\_\_\_ Signature of Principal: \_\_\_\_\_ Date: \_\_\_\_\_

**Part C** Declaration

<p>1. Please disburse provisional subsidy to our kindergarten based on the number of CE holders reported in Part B above. Our kindergarten will submit pupil information during the school year according to the specified procedures as shown below so that the Education Bureau can verify the pupil information and will then adjust any overpayment or underpayment of subsidy.</p> <ul style="list-style-type: none"> <li>● To report before 18 September 2010 at one go on pupil information at the beginning of 2010/11 school year via the internet: attendance and dropout of pupils in August (for kindergarten starting the 2010/11 school year in August) and early September; and</li> <li>● To report to the Voucher Redemption Team on new intakes or dropouts from 20 September 2010 onwards within 7 days of occurrence by fax with standard forms.</li> </ul> <p>2. I have signed the Undertaking and Declaration in Part V of Appendix I(C) in the EDB Circular No.1/2007. I fully understood my obligations and liabilities under that Undertaking and Declaration.</p>
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Signature of School Supervisor: \_\_\_\_\_

Name of School Supervisor: \_\_\_\_\_

Date: \_\_\_\_\_

School Chop