Governance Review Subcommittee

Review Report on

Human Resources Management

1. **Key Circulars:**

To enhance schools’ own governance and internal accountability, schools should comply with the requirements as set out in relevant EDB circulars. Below are the key circulars.

* Education Bureau Circular (EDBC) No. 7/2012 on *Improvement Measures to Strengthen the Governance and Internal Control of Direct Subsidy Scheme (DSS) Schools*;
* EDBC No. 10/2012 on *Fee Remission/Scholarship Schemes in DSS Schools*;
* EDBC No. 16/2012 on *Delineation of Reserves and Reserve Ceiling for the Operating Reserve of DSS Schools*; and
* EDBC No. 17/2012 on *Use of Government and Non-government Funds in DSS Schools*.

1. **Key References (Extracts from Circulars):**
2. EDBC No. 7/2012 - Paragraph 15(a)

Essential Items to be Discussed at SMC/IMC Meetings

15. DSS schools will have to put up the following essential matters, where applicable, to their SMC/IMC for discussion and approval **as from the 2012/13 school year** to forestall the inadvertent oversight of important administrative and management matters:

* **(a) the human resources policies for senior teaching and administrative posts such as the recruitment, appointment, promotion and remuneration packages;**
* (b) annual school budgets and financial report/audited account including acceptance of donations and fund raising activities;
* (c) large-scale capital works (including the SMC/IMC’s determination of what constitutes “large-scale” works);

(d) procurement of services or goods through tendering with significant financial implications (including the SMC/IMC’s determination of the thresholds for different modes of procurement);

(e) operation of the fee remission/scholarship scheme including an annual operational summary and criteria for the schemes;

(f) fee revision proposals;

(g) investment policy and update;

(h) advisory letter(s) specifying for the attention of the SMC/IMC and/or any warning letter(s) (e.g. the management letter from EDB’s School Audit Section); and

(i) self-evaluation on schools’ academic as well as non-academic performance under the School Development and Accountability Framework, including the endorsement of School Development Plan, Annual School Plan and School Report.

1. EDBC No. 17/2012 - Paragraphs 4, 5 and 6

Handling of Conflict of Interest

4. To avoid any actual or perceived conflict of interest, DSS schools have to draw up guidelines on declaration of conflict of interest. Specifically, members of the SMC/IMC and the schools should be required to report any situations where they or their immediate family or personal friends have an interest, financial or otherwise, in any matter under consideration by their schools or in any company or organisation which has or is likely to have business dealings with the schools. DSS schools are required to properly record any declarations (with the use of a standard form) or disclosures made and necessary action taken to avoid any actual or perceived conflict of interest. More details are at Annex 1.

Staff Recruitment, Remuneration and Promotion

5. DSS schools are required to draw up policies on various staff administrative matters including staff recruitment, remuneration, appraisal, promotion and disciplinary procedures, which have to be endorsed by the SMC/IMC and properly documented. In this regard, DSS schools are strongly advised to refer to the *“Recommendations on Administration of Teaching Staff in Schools under the DSS from Independent Commission Against Corruption (ICAC)*” and *“Best Practice Checklist: Governance and Internal Control in Schools”* issued by the ICAC.

6. As staff remuneration constitutes a major part of school expenses, DSS schools are required to put in place a proper and transparent mechanism to determine remuneration packages for individual staff to ensure that the packages are fair and justifiable. The criteria such as qualifications, experience, performance and expertise, and approving authority for determining the remuneration package of an appointee and any subsequent salary adjustment have to be clearly set out. In addition, comparison with the remuneration of civil servants at comparable ranks should be made when determining the appropriateness of remuneration packages for senior positions. The “modest and conservative” principle should also be observed at all times.

1. “Best Practice Checklist: Governance and Internal Control in Schools” by the ICAC (ICAC) - Chapter (Ch.) 6 on Staff Administration

[*http://www.icac.org.hk/filemanager/en/Content\_1031/school.pdf*](http://www.icac.org.hk/filemanager/en/Content_1031/school.pdf)

1. **Other References:**
2. Handling Complaints

School Administration Guide (SAG) – Ch. 4.4 on *Strategies for Handling Complaints*

<http://www.edb.gov.hk/attachment/en/sch-admin/regulations/sch-admin-guide/SAG_E.pdf>

1. Staff Appointment and Dismissal
2. EDBC No. 5/2005 on *Appointment of Staff in Schools*
3. Education Regulations, Cap 279 (ER) Regulation 76: *Teachers' appointment or dismissal needs approval by managers*

(1) The appointment of any teacher who is to be employed in the school-

(a) to occupy a teacher post in the establishment of staff provided for in the code of aid for primary schools, code of aid for secondary schools or code of aid for special schools; or

(b) for a term for not less than 6 months, shall be approved by the majority of the managers of the school.

(2) The dismissal of any teacher who is employed in the school-

(a) to occupy a teacher post in the establishment of staff provided for in the code of aid for primary schools, code of aid for secondary schools or code of aid for special schools; or

(b) for a term for not less than 6 months, shall be approved by the majority of the managers of the school at a meeting of the management committee or incorporated management committee (as may be appropriate).

1. Section 53, 54, 55, 56, 57 and 57A of the Education Ordinance, Cap. 279 (EO) on *Appointment of Principal*
2. School Administration Guide (SAG) – Ch. 7 on *Personnel Matters*

<http://www.edb.gov.hk/attachment/en/sch-admin/regulations/sch-admin-guide/SAG_E.pdf>

1. EDBC No. 8/2004 on *Acting Appointment and Acting Allowance*

<http://applications.edb.gov.hk/circular/upload/EmBC/EmBC04008E.PDF>

1. Teacher Registration
2. Section [42,](http://www.legislation.gov.hk/blis_ind.nsf/CurAllEngDoc/497EA85FC5A1DB8AC82564830028A494?OpenDocument) 44, 45, 46, 47, 48, 49, 50, 51 and 52 of the (EO)
3. Regulation 68, 69 and 70 of the (ER)
4. Salary Assessment

*Guide to Salary Assessment for Aided Secondary Schools and Guide to Salary Assessment for Aided Secondary Schools* (Salary Guides)

<http://www.edb.gov.hk/en/sch-admin/admin/about-sch-staff/salary-assessment/guides.html>

1. Daily Rate Supply Teachers and Staff

EDBCM No. 93/2013 on *Revised Daily Rates of Pay for Supply Teachers and Supply Staff*

<http://applications.edb.gov.hk/circular/upload/EDBCM/EDBCM13093E.pdf>

1. Granting of Leave

EDBC No. 1/2006 on *Granting of Leave in Aided Schools*

<http://applications.edb.gov.hk/circular/upload/EMBC/EMBC06001E.pdf>

1. Record Retention and Disposal Policy

A school is required to retain crucial records, such as accounts and vouchers, for a period of not less than 7 years. On the principle of school-based management, DSS schools may exercise discretion to formulate its record retention and disposal policy. Nonetheless, schools should comply with the provisions in the Personal Data (Privacy) Ordinance and refer to the Code of Practice on Human Resources Management issued by The Office of the Privacy Commissioner for Personal Data in formulating the policy, which should be properly documented.

Governance Review Subcommittee

Review Report on

Human Resources Management

Period/ Date :

| Areas to be reviewed:  (1) Staff Recruitment and Remuneration Policy  (2) Staff Performance Management System including Promotion/Demotion  (3) Complaints Mechanism (Staff and Public)  (4) Others: (please specify, if any) | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Review Items | Yes | No | Findings/Evidence  (*Provide documentation/cross referencing to attachments, where necessary)* | Recommendations  *(Provide cross referencing to attachments, where necessary)* | Major Reference | Other Remarks/ References |
| **1** | **Major Policies on School Governance and Administration**  Discussion and approval from SMC/IMC on policies on   1. staff recruitment 2. remuneration 3. performance management 4. promotion 5. leave, and 6. dismissal |  |  |  |  | ***Para. 15(a) of EDBC No. 7/2012*** |  |
| **2** | **Staff Recruitment / Remuneration / Promotion**  (i) The school has put in place a recruitment policy that comprises transparent and open procedures (e.g. advertising job vacancies in newspapers or via other channels). The following are kept/available in the process:  (i)(a) records in different processes of the recruitment exercise (e.g. selection result) and  (i)(b) a recruitment panel to conduct selection. |  |  |  |  | ***Para.5 of EDBC No. 17/2012;*** | ***Ch. 7 of SAG*** |
|  | (ii) The school has put in place a remuneration policy with criteria including qualification and experience. The deviations from the policy have been approved by the SMC/IMC and documented. |  |  |  |  | ***Paras. 5 & 6 of EDBC No. 17/2012*** |  |
|  | (iii) The policy (including the formulation of objective criteria) on staff promotion is made known to the staff concerned. |  |  |  |  | ***Ch 6 of ICAC*** |  |
|  | (iv) There is a mechanism for declaration of interest or for avoidance of conflict of interest by staff involved in the recruitment exercise, in determining/approving the remuneration packages for individual staff and in the promotion exercise. |  |  |  |  | ***Ch. 6 of ICAC, & Paras. 4, 5 & 6 and Annex 1 of EDBC No. 17/2012*** |  |
|  | (v) The approval from the majority of managers of the SMC/IMC is obtained for appointment of a teacher for a term of not less than six months. |  |  |  |  | ***ER 76*** |  |
|  | (vi) When approving the appointments, if deviations from the laid down procedures are made by the SMC/IMC or the delegated person/team as the approving authority, the justifications are recorded. |  |  |  |  |  |  |
|  | (vii) The SMC/IMC clearly sets out who/which school personnel is the approving authority for determining the remuneration package of an appointee and any subsequent salary adjustment. |  |  |  |  |  |  |
|  | (viii) The EDB encourages schools to make reference to the remuneration of teachers in aided schools when determining the remuneration packages for senior positions. The school has done so. |  |  |  |  |  |  |
|  | (ix) Records in different processes of the promotion exercise are properly kept. |  |  |  |  |  |  |
| **3** | **Management of Staff Performance/Leave**  (i) A mechanism for assessing staff performance has been set up and staff appraisal records are properly kept. |  |  |  |  | ***Para. 5 of EDBC No. 17/2012*** | ***Ch. 7 of SAG*** |
|  | (ii) The school has put in place policies on both paid and no-pay leave. |  |  |  |  |  | ***Ch. 7 of SAG*** |
|  | (iii) The mechanism for assessing staff performance includes the following:  (iii)(a) staff performance assessment is conducted periodically; and  (iii)(b) levels of staff responsible in the appraisal process are defined, e.g. reporting and review of the appraisal reports. |  |  |  |  |  |  |
|  | (iv) Staff appraisal records are properly kept. |  |  |  |  |  |  |
|  | (v) Leave and attendance records are properly kept. |  |  |  |  |  |  |
|  | (vi) The staff list and justifications for contract renewal or termination are submitted to the SMC/IMC for endorsement when the SMC/IMC’s decisions are sought. |  |  |  |  |  | ***Ch. 7of SAG*** |
|  | (vii) Dismissal of a teacher who is employed in the school for a term of not less than six months is approved by the majority of managers of the SMC/IMC at a meeting of the SMC/IMC. |  |  |  |  | ***ER 76*** |  |
|  | (viii) The school has formulated procedures for handling complaints (Staff and Public). |  |  |  |  | ***Ch6 of ICAC*** | ***Chapter 4 & 7of SAG*** |
|  | (ix) The procedures for handling complaints are endorsed by the SMC/IMC, properly documented and made known to stakeholders. |  |  |  |  |  |  |