

**Guidelines on Sale of School Items and Provision of Paid Services
in Kindergartens, Kindergarten-cum-Child Care Centres
and Schools with Kindergarten Classes (KGs)**

Guiding principles

- (1) No purchase of school items or acceptance of paid services should be compulsory. KGs should inform parents in writing that the acquisition of such items or services is entirely voluntary;
- (2) The items to be sold or the services to be provided should be solely for teaching and learning purposes; and
- (3) Expenses on regular learning activities for all students as well as items such as students' handbooks, attainment records, teaching aids, etc., which are necessary for the operation of the school, should be covered by the operating expenses. Parents should not be charged for these items.

Disclosure of information

- (4) An adequate description of the items for sale and paid services provided (including charges and quantity) should be made available for parents so that they can exercise discretion as to whether to acquire these items/ paid services from external sources or decline the offer if they wish to. For school uniforms, for example, schools should ensure that the materials selected for the uniforms are of a type, quality and colour generally available in the market. The design and measurements of the uniforms and specimens of the materials to be used should be made available for inspection by parents who make their own arrangements for the provision of the uniforms.
- (5) If items for sale are made up in packages (e.g. exercise books), each item should be made available for sale separately throughout the year. The charges, quantity and description of each item should be listed out clearly so that parents can select individual item or service required.
- (6) KGs should take positive action to inform parents through various means such as leaflets, notices or admission application forms, charges of school items/ paid services to be sold/ provided in the current/ new school year to enable parents to make informed choices for their children. As comprehensive information of school items or paid services of the current/ new school year may not be available at the time of recruitment of students, KGs are strongly advised to provide parents with relevant information of the previous school year for reference.

- (7) KGs should inform parents in writing of the refund arrangement in case the student withdraws from the KG before the commencement of the new term.
- (8) The “Sales of Textbooks” account should be made available to parents and the public upon request, or put on the Internet.

Collection of payment

- (9) KGs should give parents sufficient time to consider whether or not to purchase the school items or accept the paid services provided.
- (10) KGs should avoid charging parents in one lump-sum for the whole package of items or the services required for the whole school term (for example, fee for tea and snacks) so that parents may choose to replenish the items or retain the services in the middle of the year.
- (11) KGs should not collect charges from parents for any goods or services before May of each year.

School items and services for acquisition

- (12) Items for the exclusive use of students in one particular KG (e.g. items bearing special insignia) should be kept to the minimum. KGs, which use exercise books printed with the school name and/ or crest, for example, should permit their students to use exercise books of comparable size, quality and layout which are on sale at stationery shops.
- (13) Subject to sound educational practice, the types of items and paid services for students’ learning purposes should be kept to the minimum. Some common examples of school items and paid services sold/ provided by KGs to students are tabulated below for reference:

School Items	Paid Services
Textbooks and exercise books	School bus services
School uniforms and school bags	Interest classes
Tea and snacks	Activities outside regular school hours
Stationery	
Supplementary learning materials	
Bedding items	

Limits of Profits generated

- (14) Items and paid services should be sold or provided at the minimum feasible price and should not be above the market price.

- (15) No profit should be generated from the sale of textbooks.
- (16) Profit from sale of exercise books, school uniforms, stationery and other items (other than textbooks) should not exceed the profit limit of 15% of the cost price at which they are purchased from the suppliers. The profit limit of 15% should also cover paid services provided to students.

Books of accounts

- (17) KGs must keep proper books of accounts, which must reflect all sales and purchases of school items and provision of paid services.

Procurement of goods and services

- (18) When handling procurement of goods and services, KGs have to observe the principles of openness, fairness and competitiveness. While KGs are given flexibility in formulating their own procurement policy, they are required to establish a set of proper procedures for procurement and competitive bidding that are line with the guidelines set out below.

- (19) Specifically, KGs should –

- (a) invite bid/ quotation from a sufficient number of suppliers or contractors for items or services to be purchased on a fair basis;
- (b) maintain proper records of the procurement/ quotations, including full names of the suppliers/ service providers contacted, reasons for their selections and details of the quotations received;
- (c) take measures to prevent leakage of or tampering with quotation information;
- (d) draw up predetermined assessment criteria for the award of service and works contracts if price is not the only consideration;
- (e) require all staff involved in procurement duties to declare any current or future connection that they or their families have with the suppliers/ service providers by signing an undertaking and declaring their interest when conflict of interest arises; and
- (f) establish a clear segregation of staff function, for example, the staff obtaining quotations and the staff accepting the offer for that purchase should not be the same person.

- (20) To mitigate the risks of abuse and corruption, KGs are encouraged to make reference to the “Best Practice Checklist – Procurement” issued by the Independent Commission Against Corruption via the hyperlink below:

http://www.icac.org.hk/filemanager/en/Content_1031/procurepractices.pdf

Acceptance of advantages and donations

- (21) KGs should refer to EDB Circular No. 14/2003 for the principles and points to note on acceptance of advantages or donations by schools and their staff.
- (22) Where an arrangement is made with any trading operator/ supplier and a discount or block sum of money is received, such discount or block sum of money should be entered into the school accounts as an item of income. KGs are also required to record, in an inventory, any advantages received from suppliers in the form of goods or items of equipment.