Workshop on
Free Quality Kindergarten
Education Scheme

August 2016
Education Bureau
### Main Contents and Agenda

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<td>1. Calculation of teacher to pupil ratio</td>
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<td>Worksheet 2</td>
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Calculation of Teacher to Pupil Ratio (TP Ratio)

**1:15** (i.e. the existing requirement of PEVS)
- The numbers of pupils are counted separately in the AM and PM sessions
- The principal is included
- Only counting teachers with C(ECE) qualifications or above
- Round up to the nearest integer

**1:11**
- Counting the number of students for the whole KG
- The principal is **not** included
- For teachers on top of 1:15 and within 1:11, they should possess C(ECE) qualifications or above in principle
- Round down to the nearest integer

KGs joining the Scheme should fulfill the above two TP ratio requirements **at the same time**
## Calculation of TP Ratio

### 1:15  (i.e. the existing requirement of PEVS)
- **No. of pupils in AM session:**
  - $100 + 30 = 130$
- **No. of teachers in AM session:**
  - $130 \div 15 = 8.6$ (i.e. 9)

### 1:11
- **No. of teachers working WD:**
  - [using WD as the basis of calculation]
- **[(100 + 50) ÷ 2 ÷ 11] + [30 ÷ 11]**
  - $= 9.5$ (i.e. 9)

### No. of pupils:
- **100(AM) / 50(PM) / 30(WD)**
How to Meet the Requirements of the Scheme

No. of pupils: **100**(AM) / **50**(PM) / **30**(WD)

**1:15** (i.e. the existing requirement of PEVS)
- No. of teachers in **AM session**: 9
- No. of teachers in **PM session**: 6

**1:11**
- No. of teachers working **WD**: 9 + 1(Principal) = 10

Possible arrangements to meet the TP ratio requirement of 1:15 and 1:11 at the same time
*(The principal is included in the following no. of teachers)*
- 10 teachers working WD
- 9 teachers working WD and 2 teachers working HD in either AM or PM session
- 8 teachers working WD and 4 teachers working HD
  - At least 1 teacher working HD should be on duty in AM session
How to Meet the Requirements of the Scheme

No. of pupils: 100(AM) / 50(PM) / 30(WD)

1:15 (i.e. the existing requirement of PEVS)
- No. of teachers in **AM session**: 9
- No. of teachers in **PM session**: 6

1:11
- No. of teachers **working WD**: 9 + 1(Principal) = 10

Which of the following arrangements meets the TP ratio requirement of 1:15 and 1:11 at the same time?

<table>
<thead>
<tr>
<th>AM session</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM session</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>No. of teachers working WD/HD</td>
<td>10WD</td>
<td>9WD 2HD</td>
<td>8WD 4HD</td>
<td>7WD 6HD</td>
<td>6WD 8HD</td>
<td>5WD 10HD</td>
</tr>
</tbody>
</table>

Fulfilling the requirements of 1:15 and 1:11 at the same time?

- ✓
- ✓
- ✓
- ✓
- ✓
- ✗
How can the teacher arrangement in Joyful Learning Kindergarten meet the TP ratio requirements of 1:15 and 1:11 under the Scheme at the same time? (You may choose more than one option)

- 1:15 (i.e. the existing requirement of PEVS)
  - No. of teachers in **AM session**: 10
  - No. of teachers in **PM session**: 4

- 1:11
  - No. of teachers working **WD**:
    - 8 + 1(Principal) = 9

- 9 teachers working WD: **Incorrect**

- 8 teachers working WD and 2 teachers working HD in AM session: **Correct**

- 6 teachers working WD and 4 teachers working HD in AM session: **Incorrect**
School Fee Estimation

Teaching Staff Salary

- Recommended salary range
  - Possessing C(ECE) qualifications or above

- The salary level for working WD
  - Working HD: a maximum of two-third of a full-time teacher is recommended

- Make good use of the calculation sheet of recommended number of teachers to determine the teacher salary
School Fee Estimation
Apportionment of Expenditure

- KG section vs CCC section
  - Expenditure related to teaching staff salary
    - To be apportioned according to the duty allocation
  - Other expenditure
    - Salaries for non-teaching/supporting staff, rent and other daily operating expenses
    - Difficult to apportion item-by-item
    - To be apportioned on a pro rata basis by the respective numbers of pupils in KG and CCC sections

- Local stream vs non-local stream
  - To be apportioned based on the above principles
## School Fee Estimation

### Apportionment of Expenditure (Example: KG-cum-CCC)

<table>
<thead>
<tr>
<th></th>
<th>KG Section</th>
<th>CCC Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of pupils</td>
<td>180</td>
<td>90</td>
</tr>
<tr>
<td>Expenditure related to teaching staff salary ($5,500,000 in total)</td>
<td>$3,300,000</td>
<td>$2,200,000</td>
</tr>
<tr>
<td>Other operating expenses ($2,700,000 in total)</td>
<td>$2,700,000 ÷ (180+90) x 180 = $1,800,000</td>
<td>$2,700,000 ÷ (180+90) x 90 = $900,000</td>
</tr>
<tr>
<td>Total expenditure after apportionment</td>
<td>$3,300,000 + $1,800,000 = $5,100,000</td>
<td>$2,200,000 + $900,000 = $3,100,000</td>
</tr>
</tbody>
</table>
School Fee Estimation
Apportionment of Expenditure

- HD session vs WD/LWD session
  - To apportion by the respective overall expenditure for the provision of HD and WD/LWD services
    - Number of pupils
    - Ratio of HD to WD expenditure per pupil (unit cost)
      - HD session : WD/LWD session should be between 1:1.6 and 2
        - Cost of each pupil attending HD session is $30,000
        - Cost of each pupil attending WD session is $60,000
        - The ratio of unit cost is 1:2
          - $30,000 \times 2 = $60,000
## School Fee Estimation

### Apportionment of Expenditure

*(Example: KG operating both HD and WD sessions)*

<table>
<thead>
<tr>
<th></th>
<th>HD session</th>
<th>WD session</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of pupils</td>
<td>180</td>
<td>60</td>
</tr>
<tr>
<td>Ratio of unit cost</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Share of apportioned expenditure</td>
<td>180 x 1 = 180</td>
<td>60 x 2 = 120</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>$9,000,000 ÷ (180+120) x 180 = $5,400,000</td>
<td>$9,000,000 ÷ (180+120) x 120 = $3,600,000</td>
</tr>
</tbody>
</table>
## School Fee Estimation

### Estimating the Amount of Each Government Subsidy

<table>
<thead>
<tr>
<th>Subsidy</th>
<th>2017/18 per pupil per annum</th>
<th>Teaching staff salary related portion</th>
<th>Other operating expenses portion (could be spent on expenses in other portions)</th>
<th>Premises related portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic HD unit subsidy</td>
<td>$33,190</td>
<td>60%</td>
<td>40%</td>
<td>--</td>
</tr>
<tr>
<td>WD unit subsidy</td>
<td>$43,150</td>
<td></td>
<td></td>
<td>--</td>
</tr>
<tr>
<td>LWD unit subsidy</td>
<td>$53,100</td>
<td></td>
<td></td>
<td>--</td>
</tr>
<tr>
<td>Tide-over grant</td>
<td>$2,200</td>
<td>100%</td>
<td></td>
<td>--</td>
</tr>
<tr>
<td>Premises maintenance grant</td>
<td>$980</td>
<td>--</td>
<td>--</td>
<td>100%</td>
</tr>
<tr>
<td>Rental subsidy</td>
<td>Depending on the type of premises and actual rental expenses</td>
<td>--</td>
<td>--</td>
<td>100%</td>
</tr>
</tbody>
</table>

- **Subsidies not directly related to estimation of school fee**
  - Grant for support to NCS students ( $363,510 per KG per annum )
  - Grant for a cook ( $189,060 per KG per annum )
School Fee Estimation

How to estimate school fee (after deduction of subsidy)

- **Step 1:** Prepare the budget for the overall expenditure of each category in the 2017/18 school year
  - Take into account the requirements under the Scheme, for example:
    - TP ratio, salary range……

- **Step 2:** Apportionment of expenditure
  - KG section vs CCC section
  - Local stream vs non-local stream

- **Step 3:** Determine the ratio of unit cost between HD session and WD session (if applicable)

- **Step 4:** Calculate the amount of expenditure of each category
  - Teacher salary, other operating expenses, premises related (rent/depreciation)

- **Step 5:** Fill in the respective information/budgeted amount in the calculation sheet for estimating school fee
# School Fee Estimation

How to estimate school fee (after deduction of subsidy) - Example 1

<table>
<thead>
<tr>
<th>Teaching staff salary</th>
<th>Other operating expenses</th>
<th>Premises related (rent)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subsidy</strong></td>
<td><strong>Expenses</strong></td>
<td><strong>Subsidy</strong></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td><strong>Expenses</strong></td>
</tr>
<tr>
<td><strong>Subsidy</strong></td>
<td></td>
<td><strong>Expenses</strong></td>
</tr>
</tbody>
</table>

**Government fund account**

**Calculation of school fee**
School Fee Estimation

How to estimate school fee (after deduction of subsidy) - Example 1

(Subsidy) Teaching staff salary

(Subsidy) Other operating expenses

(Subsidy) Premises related (rent)

Government fund account

(The surplus needs to be kept in the government fund account)

(The surplus should firstly be used to pay for expenses not fully covered by premises related subsidy)

(The portion of expenses not covered by premises related subsidy)

Calculation of school fee

The surplus should firstly be used to pay for expenses not fully covered by premises related subsidy.

(Subsidy) Teaching staff salary

(Subsidy) Other operating expenses

(Subsidy) Premises related (rent)

School fee
School Fee Estimation

How to estimate school fee (after deduction of subsidy) - Example 2

Teaching staff salary
Other operating expenses
Premises related (Maintenance)

Subsidy
Expenses
Subsidy
Expenses
Subsidy
Expenses

Government fund account

Calculation of school fee
School Fee Estimation

How to estimate school fee (after deduction of subsidy) - Example 2

(The surplus should firstly be used to pay for the difference between teaching staff salary related expenses and the relevant subsidy)

(The remaining surplus would be kept in the government fund account)

(The surplus is then used to pay for the difference between premises related expenses and the relevant subsidy)

Government fund account

Calculation of school fee
# School Fee Estimation

## How to estimate school fee (after deduction of subsidies)

<table>
<thead>
<tr>
<th>Per annum (Estimate)</th>
<th>Teacher salary</th>
<th>Other operating expenses</th>
<th>Rental expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subsidy amount</strong></td>
<td>$33,190 \times 100 \times 60%  = $1,991,400</td>
<td>$33,190 \times 100 \times 40%  = $1,327,600</td>
<td>$500,000 \div 2 = $250,000</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td>$1,900,000</td>
<td>$1,200,000</td>
<td>$500,000</td>
</tr>
<tr>
<td><strong>Surplus/(Deficit)</strong></td>
<td>$91,400</td>
<td>$127,600</td>
<td>($250,000)</td>
</tr>
<tr>
<td><strong>Amount taken for calculating school fee</strong></td>
<td>$0</td>
<td>$127,600</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>(Total)</strong></td>
<td>$122,400</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>School fee per instalment</strong></td>
<td>$122,400 \div 100 \div 11 = $111</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- **Subsidy amount**: Subsidy amount is calculated as $33,190 \times 100 \times 60\% for the teaching salary and $33,190 \times 100 \times 40\% for other operating expenses.
- **Expenditure**: Expenditure is calculated as $1,900,000 for teacher salary, $1,200,000 for other operating expenses, and $500,000 for rental expenses.
- **Surplus/(Deficit)**: Surplus is calculated as $91,400, and deficit is calculated as $127,600.
- **Amount taken for calculating school fee**: The amount taken for calculating school fee is $0 for the teaching salary and - $127,600 for other operating expenses.
- **School fee per instalment**: The school fee per instalment is calculated as $122,400 \div 100 \div 11 = $111.
Submission of Application Form

Checklist

- Whether all particulars of school and contact information have been duly filled in Part I
- Whether all applicable items from Part II to Part VI have been confirmed
- Whether the “Undertaking and Declaration” in Part VII has been duly filled in and signed by the supervisor
- Whether the following documents have been attached to the application form:
  - For KGs being exempt from taxes, a certified true copy of the certificate or confirmation letter from the Inland Revenue Department; KG-cum-CCC should also submit the relevant document for the CCC portion
  - If the KG has confirmed to collect school fee for HD courses in Section (ii) of Part IV, the completed calculation sheet for estimating school fee should also be attached

- Closing date of application: 15 September 2016
- Enquiry telephone number: 2186 8994
Thank you!