

# **Sharing on Audit Findings - Management Aspects 2019/20**

**School Administration 3 Section  
16 October 2020 (Friday)**

# MFA - FOUR SPECIFIC ASPECTS

- General Administration of the School Management Committee (SMC)/ Incorporated Management Committee (IMC)
- Human Resources and Personnel Matters
- Financial Management Matters
- Fee Remission/ Scholarship Schemes

# GENERAL ADMINISTRATION OF SMC/IMC (1)

## Declaration of Conflict of Interest

### *Major observations:*

- ▶ School-based policy/procedures for school personnel, including managers and staff, were **not in place** and/or **not endorsed** by SMC/IMC
- ▶ Records of declarations **not properly documented**
- ▶ **No proper records** of the resolution regarding the declaration made by staff and necessary actions taken
- ▶ **No withdrawal of remunerated managers** over discussion of relevant school matters which incurred conflict of interest e.g. remuneration

# GENERAL ADMINISTRATION OF SMC/IMC (2)

## Declaration of Conflict of Interest

**Reference:** EDBC No. 17/2012  
(Para 4 and Annex 1)

### *Recommendations:*

- ▶ Draw up **school-based policies/procedures** to require SMC/IMC members and/or staff to declare conflict of interest, which should be deliberated and endorsed by SMC/IMC
- ▶ **Keep proper records** of all declarations made verbally or in writing (using a standard form)
- ▶ **Properly record** the necessary actions taken together with considerations to all the declared conflicts, such as refraining from handling the duties, reasons for the declarant to continue to discharge the duties, etc
- ▶ Observe the relevant article of the SMC/IMC Constitution/Memorandum and Articles of Association which stipulates that ‘a **remunerated director shall not be entitled to attend and vote** at all meetings and discussions concerning his own appointment, conditions of service and remuneration’

# GENERAL ADMINISTRATION OF SMC/IMC (3)

## HR Policies

*Major observations:*

- ▶ **Not endorsed** by SMC/IMC
- ▶ **Not cover non-teaching staff**
- ▶ **Not cover major aspects** such as recruitment, promotion, appraisal, remuneration packages
- ▶ **Policies not in place**
- ▶ **Implementation not in place**
- ▶ **Not promulgated** to all staff

# GENERAL ADMINISTRATION OF SMC/IMC (4)

## HR Policies

### *Recommendations:*

- ▶ School-based HR policies, including staff recruitment, remuneration, appraisal, promotion, disciplinary procedures and staff complaint, should:
  - ✓ cover all paid staff
  - ✓ have the procedures laid out as clearly as possible for staff to follow
  - ✓ be properly documented and endorsed by SMC/IMC
  - ✓ be implemented accordingly
  - ✓ be reviewed regularly, if necessary, and made known to all staff for transparency

### **Reference:**

- EDBC No. 17/2012 (paras 2 and 5)
- ICAC's "Best Practice Checklist: Governance and Internal Control in Schools"

# GENERAL ADMINISTRATION OF SMC/IMC (5)

## Quality Assessment and Compliance – School Development and Accountability (SDA) Framework

### *Major observations:*

- ▶ **No records** of SMC/IMC's endorsement on the School Development Plan, Annual School Plan or School Report
- ▶ **No records** of SMC/ IMC's discussion on the management/ advisory/ warning letter(s) issued by the EDB

### *Recommendation:*

- ▶ Put up self-evaluation under the SDA Framework to their SMC/IMC for discussion and approval

**Reference:** EDBC No. 7/2012 (para 15) “Essential items to be discussed at the SMC/IMC meetings”

# GENERAL ADMINISTRATION OF SMC/IMC (6)

## Quality Assessment and Compliance – SMC/IMC composition

### *Major observations:*

- ▶ SMC/ IMC **did not comprise all the stakeholders** as managers as required in the Service Agreement/ Education Ordinance
- ▶ SMC/IMC **composition did not fulfil the requirements** in the Memorandum and Articles of Association/ the Education Ordinance
- ▶ SMC/IMC meetings mostly **attended by a few managers**
- ▶ Managers **not registered** in accordance with the EDB's requirements
- ▶ **Did not inform** the EDB within one month after **cessation** of school manager

### *Recommendation:*

- ▶ Fulfil the requirement in accordance with the SMC/IMC's Memorandum & Article of Association, Constitution and/or Service Agreement, Education Ordinance

**Reference:** Section 27 of the Education Ordinance, Cap. 279 “No person shall act as a manager of a school unless he is registered as a manager of the school under section 29(1)”



# GENERAL ADMINISTRATION OF SMC/IMC (7)

## Quality Assessment and Compliance – Additions, alterations or improvement works

### *Major observation:*

- ▶ **No records** of prior EDB's approval for additions, alterations or improvement works at the school premises

### *Recommendation:*

- ▶ To obtain prior EDB's approval

### Reference

- SSB/IMC/SMC Service Agreement - Conditions for Admission to the DSS: "Any application for additions, alterations or improvements to the school premises for which approval by the Government is required shall be submitted in duplicate to the Government for approval, and copied to the Director of Architectural Services/Director of Housing."
- Regulation 10 of the Education Regulations, Cap. 279A: "Except with the consent in writing of the Permanent Secretary there shall not be made - (a) any structural alterations to the school premises"

# GENERAL ADMINISTRATION OF SMC/IMC (8)

## Advice on the Operation of Governance

### Review Sub-committee (GRSC):

- ▶ Self-evaluation Checklist (ALL four parts) should be completed by schools by end-November and forwarded to GRSC annually
- ▶ GRSC should review the completed checklist and submit its findings together with recommendations to the SMC/IMC for consideration
- ▶ SMC/IMC's endorsement on GRSC review schedule, review reports including findings on the checklist
- ▶ Restricted sessions should be arranged to finalize reports/findings

#### Example:

Complete the 2019/20 Checklist by November 2020

# HUMAN RESOURCES AND PERSONNEL MATTERS (1)

## Staff Recruitment

*Major observations:*

- ▶ **No** open recruitment
- ▶ **No** proper records throughout different stages of staff selection process (e.g. first interview, final interview, trial teaching, etc.)
- ▶ **No** records showing the use of pre-set assessment criteria at different stages of staff selection (e.g. screening applications, first interview, final interview, trial teaching/ other test, etc.)

# HUMAN RESOURCES AND PERSONNEL MATTERS (2)

## Staff Recruitment

### *Recommendations:*

- ▶ Conduct staff recruitment in a transparent, fair and open manner
- ▶ Draw up policies and procedures on staff recruitment, which include pre-set criteria for shortlisting and assessing candidates
- ▶ Keep proper records throughout the selection process
- ▶ Check if there is/ are school-based policy/ procedures on handling of staff grievances/ complaints

### **Reference:**

- “Recommendations on Administration of Teaching Staff in Schools under DSS” from ICAC in the EDB’s circular letter dated 21.5.2007
- ICAC’s “Best Practice Checklist: Governance and Internal Control in Schools”
- Guidelines for Handling School Complaints (Revised on 30.5.2018)
- Item 6.3.9 of ICAC’s “Best Practice Checklist: Governance and Internal Control in Schools”
- Item 4.4.1 of School Administration Guide

# HUMAN RESOURCES AND PERSONNEL MATTERS (3)

## Staff Complaint

*Major observations:*

- ▶ **No school-based policy**
- ▶ **No endorsement of SMC/IMC on the policy**

*Recommendation:*

- ▶ Draw up **school-based policies/procedures** on staff complaint, which should be deliberated and endorsed by SMC/IMC

# FEE REMISSION/SCHOLARSHIP SCHEMES (1)

## Criteria for Awarding Fee Remission

### *Major observations:*

- ▶ Adopted eligibility benchmarks **less favorable** than those of the government financial assistance schemes owing to:
  - more levels of assistance (e.g. 25%, 50%, 75%, 100%) with disposable family income falling into ranges which lead to a lower granting
  - AFI thresholds for full level of assistance adjusted for 3 and 4-member families not being included
  - 30% of annual income of unmarried child(ren) residing with family not being included or percentage increased
  - Composition of income including items outside the list set out by SFO e.g. Provident Fund/ MPF, gratuity, retraining allowance

# FEE REMISSION/SCHOLARSHIP SCHEMES (2)

## Criteria for Awarding Fee Remission (con't)

### *Major observations:*

- ▶ Students **not granted** fee remission or granted fee remission **less favorable** than government financial assistance scheme owing to
  - miscalculation
  - student applicants' attendance performance
  - inclusion of MPF/Provident Fund
- ▶ Strict requirement of the submission of SFO's eligibility certificates upon application for school-based fee remission scheme

# FEE REMISSION/SCHOLARSHIP SCHEMES (3)

## Criteria for Awarding Fee Remission (cont'd)

### *Major observations:*

- ▶ No endorsement of SMC/IMC on the school-based fee remission policies/ schemes or the summary of operation/ application of the scheme
- ▶ Adopting less favourable eligibility criteria without applying from the EDB for exemption

### *Recommendations:*

- ▶ The set of eligibility criteria should be **no less favorable** than the government financial assistance schemes across all levels of remission
- ▶ Establish a check and balance mechanism to ensure that fee remission is offered in accordance with the school-based eligibility criteria

### **Link to SFO's website:**

<http://www.wfsfaa.gov.hk/sfo/en/primarysecondary/tt/general/assessment.htm>



# FEE REMISSION/SCHOLARSHIP SCHEMES (4)

## Advice on adoption of eligibility criteria

- ▶ Review school-based eligibility criteria regularly
- ▶ Consult and seek endorsement from SMC/IMC for any revisions of eligibility criteria
- ▶ Set up a mechanism to check against the results of school-based assessment with students' eligibility for CSSA and SFO result – to uphold the no less favorable principle
- ▶ Apply to EDB for exemption from the requirement to adopt eligibility criteria for fee remission scheme no less favorable than those of government financial assistance schemes, if required, after seeking SMC/IMC's approval

# FEE REMISSION/SCHOLARSHIP SCHEMES (5)

## Publicity

### *Major observations:*

- ▶ **No** records of consultation with the SMC/ IMC or PTA on the publicity of the fee remission scheme
- ▶ **No** sufficient transparency as required under paragraph 5 of EDBC No. 10/2012

### *Recommendations:*

- ▶ Application form for admission, letter offering admission, school website, school profile and prospectus (along with their attachments) should include where appropriate:
  - ✓ **Details** - school fee, eligibility criteria and levels of remission
  - ✓ **Clear statement** - needy students including those receiving assistance under CSSA and SFO could apply & be eligible for fee remission
  - ✓ **Contact information** – designated telephone number for enquiry

# FEE REMISSION/SCHOLARSHIP SCHEMES (6)

## Advice on publicity

- ▶ If for environmental reasons, the SMC/IMC and Parent-teacher Association (PTA) find it will suffice to provide on the application form for admission, letter of offer, prospectus, etc. a hyperlink through which details of the schemes can be obtained from the school website,
  - ✓ state clearly on the above admission documents that information sheet containing details of the schemes is available upon request
  - ✓ attach the information sheet to the application form for admission and letter of offer on a need basis
- ▶ If general enquiry telephone number is provided,
  - ✓ ensure that parents' enquiries on the schemes will be handled by designated staff members

**Points to note:**  
Consult parents on how the related information should be presented to ensure that it can be easily understood by parents/prospective parents

# FEE REMISSION/SCHOLARSHIP SCHEMES (7)

## Advice on publicity (con't):

- ▶ When being notified of students' application results for financial assistance from SFO,
  - ✓ ensure eligible students are provided with an application form for fee remission
  
- ▶ To review school's publicity of the schemes regularly,
  - ✓ refer to the updated *Checklist on the Operation of the Fee Remission/ Scholarship Schemes* in the Management Toolkit

# SHARING OF GOOD PRACTICES & CASE STUDIES

- General Administration of SMC/ IMC
- Declaration of Conflict of Interest
- Human Resources and Personnel Matters: Recruitment
- Human Resources and Personnel Matters: Promotion
- Fee Remission/ Scholarship Schemes

# SHARING OF GOOD PRACTICES ON GENERAL ADMINISTRATION OF SMC/IMC

## *Good practices observed from schools in the 2019/20 s.y.:*

- Formulation of school-based policies
  - Compiling all guidelines to a comprehensive set of school administration guide for easy reference which was endorsed by the SMC/ IMC
  - Wide coverage of various staff administrative matters such as staff recruitment, remuneration, appraisal, promotion and disciplinary procedures
  - Ensuring all staff would acknowledge the receipt of the guidelines via internal emails / signature
- Operation of the SMC/ IMC
  - In compliance with the requirements as stated in Service Agreement (SA) / Memorandum and Articles of Association (M & AA)

# SHARING OF GOOD PRACTICES ON DECLARATION OF CONFLICT OF INTEREST

## *Good practices observed from schools in the 2019/20 s.y.:*

- Establishing a sound mechanism on declaration of conflict of interest which covered the following:
  - general annual declaration
  - procurement
  - staff recruitment
  - promotion
  - textbook selection
  - student admission
  - outside services/ part-time jobs
- Requiring any participants in attendance of the SMC/ IMC meetings who had actual or perceived conflict of interest to make declaration

# SHARING OF GOOD PRACTICES ON HUMAN RESOURCES AND PERSONNEL MATTERS: RECRUITMENT

## *Good practices observed from schools in the 2019/20 s.y.:*

- ▶ Job postings were uploaded onto the school's website
- ▶ Recruitment procedures and designated staff serving as interviewers for different posts were clearly laid down in school administration guide
- ▶ Objective assessment methods with pre-set criteria devised at different stages of staff selection



# SHARING OF GOOD PRACTICES ON HUMAN RESOURCES AND PERSONNEL MATTERS: PROMOTION

## *Good practices observed from schools in the 2019/20 s.y.:*

- ▶ Announcing the promotional exercise to all staff for application via emails/ notices
- ▶ Describing clearly the eligibility criteria of the promotional posts
- ▶ Appointing promotion board with the use of standard assessment forms with justifiable pre-set criteria
- ▶ Announcing the application results to all staff via emails/ notices
- ▶ Setting up of an appeal board for unsuccessful candidates

# SHARING OF GOOD PRACTICES ON FEE REMISSION/ SCHOLARSHIP SCHEMES

## *Good practices observed from schools in the 2019/20 s.y.:*

- ▶ Providing income certificate forms for applicants without income proof (e.g. self-employment and income with cash)
- ▶ Providing online income simulator for prospective parents to estimate the level of fee remission to be granted before they could make an informed choice of schools
- ▶ Offering bilingual versions on the school website regarding details of fee remission to cater for the different language needs of parents

# CASE STUDY A ON DECLARATION OF CONFLICT OF INTEREST (1)

Extract of Staff Handbook of Excellence School

- ▶ The only policy about Declaration of Conflict of Interest:

*“School staff are required to sign an undertaking on procurement to the School indicating any perceived / actual conflict of interest they and / or their families might have with suppliers or contractors. The staff members concerned may be requested to refrain from participating in the quotation and / or tender exercise(s), subject to the resolution of the School.”*

**Any problem(s)?**

# CASE STUDY A ON DECLARATION OF CONFLICT OF INTEREST (2)

## Recommendations

- ▶ A standard declaration form, in addition to the annual undertaking form, should be designed for staff members who need to disclose their conflict of interest with suppliers and / or contractors.
- ▶ The guidelines should specify that staff members should notify the School by submitting a revised declaration form for any updates in their status in relation to suppliers and / or contractors.
- ▶ The mechanism of declaration of conflict of interest should be included in other school's daily operations (e.g. staff recruitment, staff promotion, student admission).

# CASE STUDY A ON DECLARATION OF CONFLICT OF INTEREST (3)

## Reference:

- EDBC No. 17/2012 (para 4, Annex 1)
- For IMC Schools: 40BF1(a)(b) of the EO, Cap 279 -
  - *“A manager of a school shall, at least once in every 12 months, make to the incorporated management committee of the school a written declaration which (a) states the particulars of any pecuniary or other personal interest, direct or indirect, that he has in any matter that raises or may raise a conflict with his duties as a manager of the school; or (b) states that he has no such interest.”*
- For IMC Schools: 40BF2 of the EO, Cap 279 -
  - *“Within one month after a change occurs in any matter stated in a declaration, the manager who made the declaration shall make to the incorporated management committee another written declaration which states the change.”*

## CASE STUDY B ON HUMAN RESOURCES AND PERSONNEL MATTERS (1)

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Background/ Situations behind the absence of open recruitment and assessment records

1. The staff member had been hired as a supply teacher in the previous year and he was 'transferred' to a full-time position in the current year.
2. It was too hard to hire a person for such position e.g. janitor due to a high turnover rate and thus recommendations or referral by internal staff or contact persons (persons of acquaintances) in the relevant fields was the final.
3. There was only one candidate left after shortlisting as all other applicants did not fit the job requirement. The school found the candidate suitable for the job after interview while no assessment records were kept.

**Any problems?**

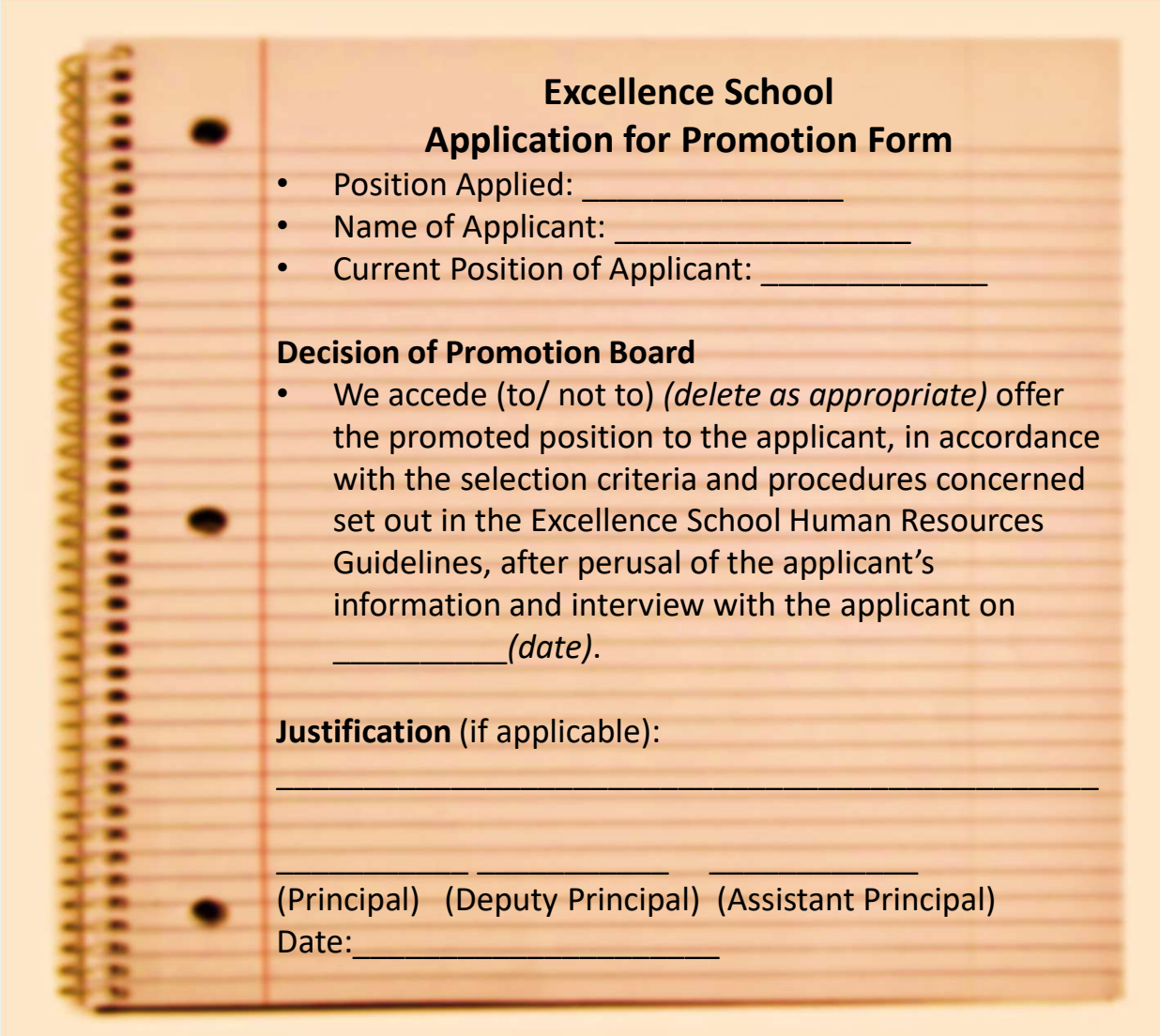
## CASE STUDY B ON HUMAN RESOURCES AND PERSONNEL MATTERS (2)

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- Schools should ensure that staff recruitment is conducted in a transparent, fair and open manner, and there should be proper staff recruitment procedures in place with SMC/IMC's endorsement.
- Advertise job vacancies publicly
- Assessment of even one candidate should be properly documented throughout the whole selection process.

# CASE STUDY C ON PROMOTION (1)

## Promotion form used by Excellence School



**Excellence School**  
**Application for Promotion Form**

- Position Applied: \_\_\_\_\_
- Name of Applicant: \_\_\_\_\_
- Current Position of Applicant: \_\_\_\_\_

**Decision of Promotion Board**

- We accede (to/ not to) (*delete as appropriate*) offer the promoted position to the applicant, in accordance with the selection criteria and procedures concerned set out in the Excellence School Human Resources Guidelines, after perusal of the applicant's information and interview with the applicant on \_\_\_\_\_ (*date*).

**Justification** (if applicable):  
\_\_\_\_\_  
\_\_\_\_\_

(Principal) (Deputy Principal) (Assistant Principal)  
Date: \_\_\_\_\_

Any problem(s)?



## CASE STUDY C ON PROMOTION (2)

### Recommendations

- ▶ The Promotion Board should record the panel's deliberation of the promotion exercise rather than only stating the decision.
- ▶ The Promotion Board should design a standard promotion assessment form with objective selection criteria to record the comments of each member rather than a consolidated record sheet.

**Reference: ICAC Best Practice Checklist Chapter 6.3.7**

# CASE STUDY D ON FEE REMISSION/SCHOLARSHIP SCHEMES (1)

## Policy of a school:

- ▶ Salary (including salary of applicant, applicant's spouse and student-applicant's unmarried sibling(s) residing with the applicant for full-time, part-time or temporary jobs, contributions to Provident Fund/ MPF)

Any problem(s)?

1. Types of incomes earned by the family both within and outside for reference. For provision of documentary proofs, please Complete the Form".

Items need to be reported		
1	Salary (including the salary of applicant, applicant's spouse and student-applicant's unmarried sibling(s) residing with the applicant for full-time, part-time or temporary jobs, excluding Mandatory Provident Fund (MPF) / Provident Fund contribution by employee)	1
2	Double pay / Leave pay	2
3	Allowance (including overtime work / living / housing or rent / transport / meals / education / shift allowance, etc.)	3

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