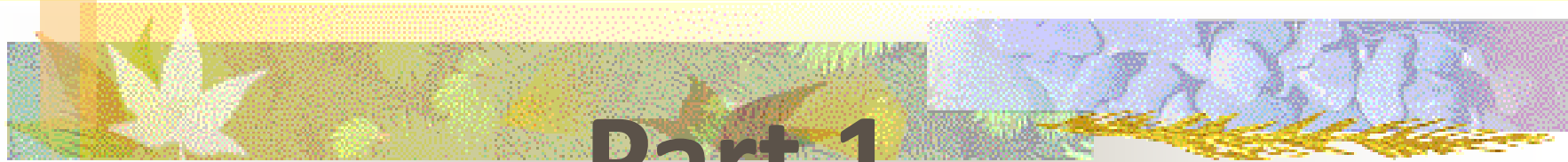


**Briefing for
New Principals & Vice-Principals
of DSS Schools
25 September 2013**



Part 1

Content

1. Important Annual Events in DSS Schools
2. Headcount
3. Fee Remission/Scholarship Schemes
4. Fee Revision Application
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Important Events in DSS Schools throughout the school year (1)

Timing	Date	Events	Action Party
Before start of school year	Before Sept	Upload student admission criteria to school's website	School
		Upload updated information of fee remission scheme to school's website	School
		Complete the processing of fee remission applications from newly admitted students (as far as possible)	School

Important Events in DSS Schools throughout the school year (2)

Timing	Date	Events	Action Party
1st half school year	30-Sept	1st Headcount	School & EDB
	End-Oct	Issue 1st batch of DSS subsidy (for Sept to Mar)	EDB
	End-Nov	Upload school report to school website (with <u>financial summary</u>)	School
	End-Nov	Issue circular memorandum and template for school's preparation of the audited accounts for the previous school year	EDB

Important Events in DSS Schools throughout the school year (3)

Timing	Date	Events	Action Party
2nd half school year	End-Feb	Return the audited accounts for the previous school year to EDB	School
	Early-Mar	Issue circular letter and templates for school's preparation of budget/ fee revision application for the coming school year	EDB
	Early-Mar	Parent consultation on fee increase proposal (if any)	School
	End-Mar	2nd Headcount	School & EDB

Important Events in DSS Schools throughout the school year (4)

Timing	Date	Events	Action Party
2nd half school year	Apr	Issue circular letter on application for non-recurrent grant for major repairs over \$2M	EDB
	End-Apr	Issue 2nd batch of DSS subsidy (for Apr to Aug)	EDB
	End-Apr	Return budget/ fee revision application (if any) to EDB	School
	May	Approval/ disapproval of applications for non-recurrent grant for major repairs over \$2M	EDB
	Before End-Aug	Approval/ disapproval of budget/ fee revision applications	EDB

Headcount

- Conducted on 30-Sept and 30-Mar
- Headcount figures for calculating the DSS subsidies
- Enrolment exceeding ceiling per class NOT eligible for DSS subsidy
- For over-enrolment, letter to be issued to Supervisor to state the fact. If over-enrolment situation is worsen in the next headcount(s), warning letter(s) may be issued
- Non-local students are not eligible for DSS subsidy

Fee Remission/Scholarship Schemes (1)

- Set aside at least 10% of school's total school fee income for fee remission/scholarship
- If school fee between $2/3$ and $2\ 1/3$ of the DSS unit subsidy rate, to set aside 50 cents for the fee remission/scholarship schemes for every additional dollar charged over and above $2/3$ of the DSS unit subsidy rate
- Eligibility criteria should be no less favourable than Government financial assistance schemes (i.e. SFAA).
- Upload the updated fee remission scheme to school website before the start of a school year

Fee Remission/Scholarship Schemes (2)

Measures to enhance transparency :

1. Consult SMC/IMC about the presentation of information & the operation of the Schemes
2. Clear indication of the provision of fee remission to needy students in admission application form (with details of the Fee Remission Scheme) and in School Profile (with hyperlink to school's webpage about the Scheme)
3. Enclose details of the Schemes in letters offering admission to newly admitted students
4. Set out clearly in the Schemes the offering of fee remission to students from families receiving CSSA & those receiving SFAA assistance
5. Provide application forms for fee remission when notifying eligible students of the results of SFAA assistance
6. Complete the processing of the application for fee remission of newly admitted students before the new school year begins (as far as possible)
7. Upload Simulation Test on school's website (optional) for calculating the level of fee remission to be obtained

Fee Remission/Scholarship Schemes (3)

- If the reserve of the schemes exceeds school's half-yearly total fee income due to low utilisation, the school should submit a plan for effective deployment to EDB:
 - Acceptable options to avoid excessive reserve include:
 1. relaxing the criteria for awarding fee remission/scholarship;
 2. reducing the school fees;
 3. subsidizing eligible students in their purchase of textbooks/reference books/stationery; and
 4. sponsoring eligible students for joining extra-curricular activities, such as overseas educational visits and exchange study programmes, etc.

Note: *School should explore every means to fully utilise the fee remission/ scholarship reserve*

Fee Remission/Scholarship Schemes (4)

- DSS schools are encouraged to explore other ways to assist needy students financially by using the funds of the Schemes
- Reference: EDB Circular No. 10/2012 of 22.6.2012
Fee Remission/Scholarship Schemes in Direct Subsidy Scheme (DSS) Schools
(Measures to enhance transparency – Para. 5)

Fee Revision Application (1)

- Proposed fees should be reasonable and acceptable
- Main factors taken into consideration by EDB during assessment of school fee increase applications:
 - schools' genuine need
 - schools' actual income and expenditures
 - schools' budget
 - schools' financial situation
 - parents' affordability
 - parent consultation
 - reasonableness of the proposal

Fee Revision Application (2)

Parent consultation (i)

- Conduct parent consultation and address their concerns
- Provide required financial information to parents during parent consultation
- Full parent consultation to all affected parents if:
 1. fee increase > threshold % (7% for 2013/14); or
 2. with total accumulated operating reserve as in the latest audited accounts exceeding the annual operating expenses of the same school year
- Otherwise, consultation with PTA only is acceptable
- Parent consultation results should be provided to EDB

Fee Revision Application (3)

Parent consultation (ii)

- For fee increase at S1 in secondary-cum-primary schools, parent consultation at least with PTA of the primary section should be conducted
- For new applicants for P1 & S1 classes, to inform and explain to the parents concerned

Fee Revision Application (4)

Differential school fees at P1/S1

If proposed fee increase is:

1. at P1/S1 only; or
2. the proposed fee increase % at P1/S1 level is much higher than that at other levels, justifications should be provided to show genuine need for the difference (e.g. additional services are provided for P1/S1 students & such services are sustainable when such students proceed to higher levels).

Fee Revision Application (5)

Calculation of Fee increase %:

1. by cohort of students (if prior written notification has been provided to parents that the P1/S1 school fee will be charged when the cohort of P1/S1 students proceed to higher levels);
or
2. by level (if no above prior written notification)

School fee of non-local students

- fee of local students + projected subsidy rate (to ensure no cross-subsidization)

** If no fee revision, schools are still required to return school budget to EDB (using a simplified template)*

Application for Non-recurrent Grants for Major Repairs (MR) > \$2M

- School may apply for non-recurrent grant for MR > \$2M (*funds for MR ≤ \$2M have been subsumed in the DSS Unit Subsidy*)
- May need to employ an AP to prepare the application before EDB's invitation letter is issued in April (*fee for AP has been subsumed in DSS Unit Subsidy*)
- When employing the AP, school to observe its procurement mechanism
- When application is approved, school to follow ArchSD's guidelines and templates for conducting the MR

~ Thank You ~