Governance Review Subcommittee

Review Report on

Financial and 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 - Paragraphs 15(b), (c), (d), (f) and (g)

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 4 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. 16/2012 - Paragraphs 12,13,14,15,16,17, 18 and 19

Designated Reserve – (ii) Long Service Payment Reserve

12. **As from the 2012/13 school year**, DSS schools may transfer funds from the operating reserve to this reserve equivalent to the amount required to meet the level of minimum requirements under the Employment Ordinance after taking into account the employees’ Mandatory Provident Fund (MPF)/retirement scheme benefits already provided.

13. For transfer of funds above the level of minimum requirements under the Employment Ordinance, the corresponding long service payment policy should be endorsed by their School Management Committee (SMC)/Incorporated Management Committee (IMC) with proper documentation kept for checking by the EDB on a need basis.

14. If the required long service payments can be offset by employees’ MPF/retirement scheme benefits in accordance with the Employment Ordinance or guidelines issued by the Labour Department, the relevant amount already set aside in this reserve has to be transferred back to the operating reserve. Schools may make such rectifications annually or at least once every three years in their audited accounts. The rectifications should be certified by the schools’ auditors and the details should be kept for checking by the EDB on a need basis.

15. If DSS schools have already set aside funds in or before the 2011/12 school year for long service payment, they may record those funds under this reserve in the 2011/12 audited accounts. In this connection, the schools concerned will be required to keep relevant records/proof of their funds already set aside, e.g. list of relevant reserves as at the end of the 2010/11 school year as shown in the audited accounts, list of staff with their entitled long service payment, for checking by the EDB on a need basis.

16. Both government and non-government funds can be recorded under/transferred to this reserve.

Designated Reserve – (iii) Reserve for Donations with Specific Purposes

17. Only donations with specific purposes[[1]](#footnote-1) could be recorded under this reserve. Donations without specific purposes should be recorded under the operating reserve.

18. DSS schools will be required to keep details of the donations with specific purposes and proof of the intended uses as specified by the donors or planned uses as endorsed by their SMC/IMC including timeframes for planned projects/activities where appropriate for checking by the EDB on a need basis.

19. Only non-government funds can be recorded under/transferred to this reserve.

1. EDBC No. 17/2012 – Paragraphs 7, 8, 9, 13, 15, 16, 17, 23 & 27 and 28 and Annex 3

Procurement

7. While DSS schools are given flexibility in formulating their own procurement policy, they should follow as far as possible the guidelines on procurement procedures for aided schools as set out in the prevailing EDB circular on *Tendering and Purchasing Procedures in Aided Schools*. Any variation from the EDB’s guidelines has to be approved by the SMC/IMC and documented for information of stakeholders. They should also refer to the guidelines and procedures as laid down in the *“Best Practice Checklist: Governance and Internal Control in Schools”* issued by the ICAC in drawing up their procurement policy.

8. When handling procurement of services and goods, DSS schools have to observe the principles of openness, fairness and competitiveness. The staff involved in procurement have to be reminded to adhere to the requirement on declaration of conflict of interest and procurement procedures on a regular basis. To mitigate the risks of abuse and ensure that the procurement activities are conducted in a fair and competitive manner, DSS schools are required to:

(a) maintain a shortlist of suppliers or contractors approved by a panel for frequently purchased items or services, and select a sufficient number (or invite all) from the list for invitation to bid on a fair share basis, in addition to any nominations from the users;

(b) for ad hoc purchases, compile a shortlist of suppliers based on predetermined criteria and invite the shortlisted suppliers to bid;

(c) take measures to prevent leakage of or tampering with quotation information (e.g. assign a staff member to keep all quotations/tenders intact in a secure place before opening which should be witnessed by another staff member, or receive electronic quotations through a designated mailbox with restricted access and only to be opened after the closing time); and

(d) draw up predetermined assessment criteria for the award of service and works contracts if price is not the only consideration, including the weighting to be attached to each assessment aspect, and form an evaluation panel comprising at least two staff members to conduct the assessment.

9. As subvented organisations, DSS schools are required to keep proper administrative and financial records and provide them for the examination of the EDB and the Director of Audit when required.

Non-Government Funds

Sources of Non-Government Funds

Trading Operations

13. DSS schools are required to follow the principles as set out in the prevailing EDB circular on *Trading Operations in Schools* in operating trading activities. Schools’ attention is drawn in particular to the requirement that the profit from the sale of items should not exceed a maximum of 15% of the cost price, except for sale of textbooks which should not generate any profit.

Fund-raising Activities

15. DSS schools have to ensure that fund-raising activities held are lawful and in compliance with the requirements stipulated by the EDB and/or other government departments. A school-based fund-raising policy with proper procedural guidelines should be formulated for compliance of their staff. In this regard, DSS schools should refer to the guidelines on conducting fund-raising activities uploaded onto the EDB’s Homepage via the path below:

*EDB Homepage* > *School Administration > Administration > Fund-raising Activities in Schools*

16. DSS schools’ attention is drawn in particular to the following requirements:

(a) For fund-raising held for organisations which are not approved charitable institutions, DSS schools have to ensure that such organisations have got the EDB’s approval; and

(b) DSS schools should prepare a financial statement for each fund- raising activity conducted and display the statement for a reasonable period of time on the schools’ notice board for the information of teachers, parents and students, which should also be retained for audit purposes.

Donations and Sponsorships

17. DSS schools are required to formulate their own policy on acceptance of donations and to comply with the principles of acceptance of donations as promulgated in the prevailing EDB circular on *Acceptance of Advantages and Donations by Schools and their Staff.* Schools’ attention is drawn in particular to the following:

(a) all donations to the school should be expended on the school and for educational purposes only;

(b) the acceptance of donations by schools should be approved by the SMC/IMC;

(c) a register of all donations received should be maintained; and

(d) in no circumstances may a school suggest to the suppliers and contractors that the school will provide an advantage in return for their donations. Donations from suppliers and contractors should only be accepted in exceptional circumstances with compelling reasons, and with proper documentation as well as approval by the SMC/IMC in advance.

Use of Non-government Funds

Investment

23. As set out in the existing guidelines[[2]](#footnote-2), investment by DSS schools is not recommended. Nevertheless, DSS schools may still do so should they have compelling and well-justified reasons. To ensure that their financial situation remains sound and healthy after the investment, DSS schools will have to observe closely the following guidelines when making any investment **as from the 2012/13 school year**:

(a) DSS schools are not allowed to use the funds in the operating reserve or the fee remission/scholarship reserve for investment;

(b) DSS schools have to seek their SMC/IMC’s approval before making investment decisions and such approval and factors for consideration must be clearly documented;

(c) the only funds that may be used for investment are the long service payment reserve, the reserve for donations with specific purposes and the reserve for construction, maintenance and upgrading of above- standard facilities; and

(d) DSS schools are only allowed to invest in (i) Hong Kong (HK) dollar bonds; or (ii) HK dollar certificates of deposits according to the prescribed criteria/conditions:

|  |  |
| --- | --- |
| **Type of Investment** | **Investment Criteria/Conditions** |
| HK dollar bonds or certificates of deposits:* short to medium term with a maturity period of one to five years.
 | * The credit rating of the issuer must not be lower than the rating of **A3** given by Moody’s Investors Service Inc. or **A-** given by Standard & Poor’s Corporation.
* The bank must be licensed under the Banking Ordinance, Cap. 155.
 |

Purchase of Properties

27. All along, purchase of properties by DSS schools is discouraged as it carries substantial financial implications and the risk of financial loss. Nevertheless, if DSS schools have compelling and well-justified reasons for purchasing properties by using their non-government funds, they may still do so. To ensure their financial stability after the purchase of properties, DSS schools will have to observe the following two new requirements on top of the existing guidelines **as from the 2012/13 school year**:

(a) DSS schools are required to keep at least an amount equivalent to six months’ operating expenditure in cash after the purchase of properties; and

(b) DSS schools are not allowed to purchase properties through mortgages or any other borrowing arrangements.

28. In this connection, the existing guidelines on the purchase of properties have been refined to incorporate the two new requirements in paragraph 27 above. The revised guidelines are at Annex 3. DSS schools are reminded to strictly follow the guidelines to ensure that decisions of property acquisition are well thought-through.

1. **Other References:**
2. Annual School Budgets and Annual Audited Accounts

Annual Call Letter on Fee Revision and EDBCM on Submission of Audited Accounts.

1. Procurement
2. EDBC No. 4/2013 on *Procurement Procedures in Aided Schools*
3. School Administration Guide (SAG) – Chapter (Ch.) 6.4 on *Procurement of Stores and Services*

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

1. Trading Operations
2. Education Regulations (ER) - regulation 99A on *Business or Trading Operation* and regulation 99B on *Restriction on Use of Profits Arising from Business or Trading Arrangement by Incorporated Management Committee*
3. EDBC No. 24/2008 on *Trading Operations in Schools*
4. SAG – Paragraph 1e of Ch. 6.3 on *Trading Operations* and 6.5 on *Accounting and Financial Control*
5. Acceptance of Donations and Fund Raising Activities
6. EDBC No. 14/2003 - Paragraph 16 on *Acceptance of Advantages and Donations by Schools and their Staff*

6. SMCs should formulate policies to require schools and their staff to handle internal and external businesses of the school in an open, fair, transparent and competitive manner, particularly those concerning nominations and selections and choice of goods/services provided by suppliers/contractors.

1. EDBC Memorandum (EDBCM) No. 60/2014 on *Selection of Quality Textbooks and Curriculum Resources for Use in Schools*
2. ER – R66 on *Prohibition of collections without permission of Permanent Secretary*
3. Information on *Fund-raising Activities in Schools* on EDB’s Website

<http://www.edb.gov.hk/attachment/en/sch-admin/admin/about-activities/sch-fund-raising/guidelinfundraising_e.pdf>

1. SAG – Ch. 6.2.2 on *Other sources of school income*

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

1. Required Surplus Level in the Operating Reserve

Section 2 of *DSS Explanatory Notes* (DSS E Notes) - Point 20 (Primary School) or 22 (Secondary School) [or respective clause in School Sponsoring Body (SSB) Service Agreement (SA)]

(Primary)

<http://www.edb.gov.hk/attachment/en/edu-system/primary-secondary/applicable-to-primary-secondary/direct-subsidy-scheme/index/ps-e-notes-table.pdf>

(Secondary)

 <http://www.edb.gov.hk/attachment/en/edu-system/primary-secondary/applicable-to-primary-secondary/direct-subsidy-scheme/index/ss-e-notes-table.pdf>

1. Collection of School Fees and Other Charges
2. ER – R61 on *Fees Other than Inclusive Fee Prohibited* and R62 on *Method of Payment*
3. EDBC No. 1/2011 on*Collection of Fines, Charges and Fees in Schools under the DSS*

Governance Review Subcommittee

Review Report on

Financial and Resources Management

Period/ Date:

| (1) Fees and Collection Policy (5) Investment Policy(2) Budgeting and Accounting Practices (6) Acceptance of Advantages and Donations(3) Tendering and Procurement Policy (7) Fund Raising Activity(4) Trading Operation (8) 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(i) Financial Management (i)(a) financial documents (including annual school budgets and annual audited accounts); |  |  |  |  | ***Para. 15(b), (c) , (d), (f) and (g) of EDBC No. 7/2012*** |  |
| (i)(b) large-scale capital works; |  |  |  |  |  |  |
| (i)(c) thresholds for different modes of procurement of services/ goods; and |  |  |  |  |  |  |
| (i)(d) services/ goods with significant financial implications that are procured through tendering. |  |  |  |  |  |  |
|  | (i)(f) fee revision proposal |  |  |  |  |  |  |
|  | (i)(h) follow-up on the management letter issued by the EDB after audit inspection  |  |  |  |  |  |  |
|  | (ii) Investment and Purchases of Properties(ii)(a) investment policy and update (funds in the operating reserve or the fee remission/ scholarship reserve not allowed for investment while only investment in (i) Hong Kong (HK) dollar bonds or (ii) HK dollar certificates of deposits according to the prescribed criteria/ conditions being allowed); and |  |  |  |  | ***Para. 15(g) of EDBC No. 7/2012, and Paras. 23 & 27 and Annex 3 of EDBC No. 17/2012*** |  |
|  | (ii)(b) purchase of properties (not through mortgages or any other borrowing arrangement and still keeping at least an amount equivalent to six months’ operating expenditure in cash). |  |  |  |  |  |  |
| **2** | **Procurement**(A) Basic Safeguards(i) The school has put in place a school-based procurement policy with the following procedures: |  |  |  |  | ***Paras. 7 to 9 of EDBC No. 17/2012 and EDBC No. 4/2013*** | ***Ch. 6.4 of SAG*** |
|  | (i)(a) The staff members concerned are informed of the procurement procedures and there is segregation of duties (e.g. sourcing of suppliers, evaluation of bids, approval of purchases, receipt of goods, etc.) among the staff involved; |  |  |  |  |  |  |
|  | (i)(b) The staff involved in purchasing and supplies duties are required to sign an undertaking that they will declare any conflict of interest; and |  |  |  |  |  |  |
|  | (i)(c) Documentation of all procurements (including verbal quotations) is maintained[[3]](#footnote-3) |  |  |  |  |  |  |
|  | (ii) The departures from the procurement policy (e.g. insufficient number of quotations/ tenders invited, lower offers not accepted) are justified, properly authorized and documented according to the laid down procedures. |  |  |  |  | ***Paras. 7 to 9 of EDBC No. 17/2012***  |  |
|  | (iii) The procurement policy sets out circumstances under which the approved procurement methods may be waived (e.g. not obtaining the required number of quotations due to urgency or a sole supplier situation) and corresponding authorization levels for such purchases. |  |  |  |  |  |  |
|  | (iv) All the purchases are made according to the school’s approved procurement policy. |  |  |  |  |  | ***EDBC No. 14/2003*** |
|  | (B) Tenders / Quotations(i) Two separate committees are set up for all tender exercises, one for tender opening and vetting (evaluation panel) and the other for tender approval.*[Late tenders should be rejected.]* |  |  |  |  | ***Paras. 7 to 9 of EDBC No. 17/2012 and EDBC No. 4/2013*** |  |
|  | (ii) There is a shortlist of suppliers/contractors approved and reviewed periodically by a panel comprising at least two staff members for frequently purchased items or services. *[Selection of sufficient numbers of suppliers/contractors from the list for invitation to bid for the items/services should be conducted on a fair share basis.]* |  |  |  |  |  |  |
|  | (iii) The school has specified the minimum number of suppliers to be invited for tenders or quotations. |  |  |  |  |  |  |
|  | (iv) Evaluation criteria are included in tender documents for information of the tenderers. |  |  |  |  |  |  |
|  | (v) The school has specified the minimum period of time between repeated purchases of the same item. |  |  |  |  |  |  |
|  | (vi) Tenders are assessed in accordance with the criteria by the evaluation panel. |  |  |  |  |  |  |
| **3** | **Trading Operation**(i) Being complied with school-based procurement policy, contractors/ suppliers are selected through competitive tender/ quotation exercises at regular intervals, preferably not exceeding three years. |  |  |  |  | ***Para. 13 of EDBC No. 17/2012 and EDBC No.*** [***24/2008***](http://www.edb.gov.hk/UtilityManager/circular/upload/EDBC/EDBC08024E.pdf)  | ***Ch. 6.3 & 6.5.2 of SAG*** |
|  | (ii) There is a mechanism for declaration of interest or for avoidance of conflict of interest by staff involved in the selection of contractors/suppliers. |  |  |  |  | ***Para. 13 of EDBC No. 17/2012, and EDBC No. 24/2008*** |  |
|  | (iii) Prior approval is obtained from the EDB (for SMC schools) or the IMC (for IMC schools) for trading operations. |  |  |  |  | ***ER 99A***  |  |
|  | (iv) The profit from sale of trading items is limited to 15% of the cost of purchase.*[Except for sale of textbooks which should not generate any profit]* |  |  |  |  | ***Appendix 3 of EDBC No. 24/2008*** |  |
|  | (v) The profits or net income arising from trading operation are applied only for the purpose directly benefiting the students of the school. |  |  |  |  | ***ER 99B (IMC Schools)*** |  |
| **4** | **Investment and Purchase of Property**(i) Schools’ stakeholders are consulted when the school intends to purchase properties. |  |  |  |  | ***Paras. 27 & 28, and Annex 3 of EDBC No. 17/2012*** |  |
|  | (ii) If there is any investment made with the approval by the SMC/IMC, the school(ii)(a) has kept additional subsidiary ledgers to record detailed transactions of each type of investment activities such as date of purchase, cost of acquisition, annual depreciation, revaluation, disposal, income and expenses, etc; and |  |  |  |  |  |  |
| (ii)(b) has confined the source of funding to funds of the long service payment reserve, donations with specific purposes and/or the reserve for construction, maintenance and upgrading of above-standard facilities only. |  |  |  |  |  |  |
|  | (iii) If there is any property purchased with the approval of the SMC/IMC, the school has kept at least an amount equivalent to six months’ operating expenditure in cash in the operating reserve after the purchase of property. |  |  |  |  |  |  |
| **5** | **Acceptance of Donations (in Money or in Kind)**(i) The policy and guidelines on acceptance of donations (in money or in kind) by the school and staff are formulated according to the prevailing EDB circular on *Acceptance of Advantages and Donations by Schools and Their Staff*, endorsed by the SMC/ IMC, documented and implemented properly. |  |  |  |  | ***Para. 17 of EDBC No. 17/2012*** | ***Para. 1e of Section 6.2.2 of SAG, EDBC No. 14/2003 and EDBCM No. 60/2014*** |
|  | (ii) The donations (in money or in kind) to the school are expended on the school and for educational purposes and a register is kept for the donations accepted. |  |  |  |  |  |  |
|  | (iii) The donations (in money or in kind) received are disclosed in the school report. |  |  |  |  |  |  |
| **6** | **Operating Reserves and Designated Reserves**(i) Long Service Payment ReserveThe SMC/ IMC has endorsed the transfer of funds above the level of minimum requirements under the Employment Ordinance from the operating reserve to long service payment reserve and proper documentation is kept. |  |  |  |  | ***Paras. 12 to 16 of EDBC No. 16/2012*** |  |
|   | (ii) Reserve for Donations with Specific Purposes(ii)(a) The school has kept details of donations with specific purposes and proof of the intended uses as specified by the donors. |  |  |  |  | ***Paras. 17 to 19 of EDBC No. 16/2012*** |  |
|  | (ii)(b) For donations kept in this reserve without specified uses by the donors, the SMC/ IMC has endorsed their planned uses including timeframes for planned projects/ activities with proper documentation kept. |  |  |  |  |  |  |
|  | (iii) The operating reserve and the four designated reserves (including usage, transfer in/out, reserve ceiling, investment, records keeping, etc.) are set up and operated in accordance with the EDB’s prevailing requirements. |  |  |  |  |  |  |
|  | (iv) Sufficient operating reserve is maintained to meet at least two months’ operating expenses. |  |  |  |  | ***Section 2 of DSS E Notes or SSB SA*** |  |
|  | (v) The part of the operating reserve grandfathered is used according to the plan approved by the EDB. |  |  |  |  |  |  |
|  | (vi) Reserve for Construction, Maintenance and Upgrading of Above-standard Facilities.The school has sought prior approval from the EDB for transfer of more than 10% of school fee income to this reserve or if after the transfer of not more than 10% of school fee income, the cash in the operating reserve account falls below six months’ expenses. |  |  |  |  |  |  |
| **7** | **Fund Raising Activity**(i) Guidelines on fund raising activities are formulated, endorsed by the SMC/ IMC, documented and implemented properly.(ii) The school has requested organizations which are not approved charitable institutions to provide documentary proof of EDB’s approval before raising funds for the organizations. |  |  |  |  | ***ER 66 (non-IMC School) and Paras. 15 and 16 of EDBC No. 17/2012***  | ***Information on EDB’s Website*** |
|  | (iii) A financial statement has been prepared for each fund raising activity, displayed for a reasonable period of time on the schools’ notice boards for the information of teachers, parents and students and retained for audit purposes. |  |  |  |  |  |  |
| **8** | **Use of Government Funds / Non-Government Funds and Accounting Practices / External / Internal Control** (i) The Fixed Assets Register clearly states description of items, source of funding, date of purchase, quantity, location, date and reasons of write-off, the approval signature of write off. |  |  |  |  | ***Annex 4 of EDBC No. 17/2012*** |  |
|  | (ii) Physical stocktaking of assets is conducted on a regular basis (at least once every three years) while stocktaking of valuable items such as notebook computers on a yearly basis. |  |  |  |  |  |  |
|  | (iii) Separate bank accounts maintained for government and non-government funds are in the name of the school. |  |  |  |  |  |  |
|  | (iv) School has kept separate accounts for self-financing activities. |  |  |  |  |  |  |
|  | (v) Only the approved expenditure items of educational nature as stipulated in the prevailing EDB circular have been charged to the government fund account. |  |  |  |  |  |  |
|  | (vi) An updated certified bank mandate of the authorized bank signatories is kept. |  |  |  |  |  |  |
|  | (vii) All expenses of the school are properly authorized and supported by vouchers and original invoices before payments are made and preparation and authorization of payment vouchers are conducted by different persons. |  |  |  |  |  |  |
|  | (viii) There are proper school-based arrangements for the safe custody of school assets, cash and other valuables under schools’ control. |  |  |  |  |  |  |
|  | (ix) Discrepancies found during physical stocktaking of assets are investigated and reported to the SMC/IMC. |  |  |  |  |  |  |
|  | (x) A statement stating whether the school has used the government subsidies in accordance with the rules promulgated for the DSS is included in its auditor’s reports. |  |  |  |  |  |  |
|  | (xi) The school’s annual audited accounts are submitted to the EDB before the deadline set by the EDB. |  |  |  |  |  |  |
|  | (xii) The school has submitted the management letter of the EDB’s audit inspection as well as the school’s responses to the management letter to the SMC/IMC for discussion and endorsement. |  |  |  |  |  |  |
|  | (xiii) The school has sent the management letter of the EDB’s audit inspection to the school’s auditor for information and copy the covering letter to the EDB. |  |  |  |  |  |  |
| **9** | **Collection of school fees and other charges**(i) The first monthly instalment of inclusive fees is collected not earlier than one month before the commencement of the educational course. (ii) The school has obtained EDB’s prior approval in collecting fees and charges other than the inclusive fees as printed on the Fees Certificate or those within the approved ceiling of the blanket approval stipulated in EDBC No. 1/2011. |  |  |  |  | ***ER 61*** ***ER 62*** ***EDBC No. 1/2011*** |  |
|  | (iii) The school waived the charges or make sufficient provision of assistance to cater for the needs of the students in financial difficulties, without incurring additional government expenditure on student financial assistance. |  |  |  |  |  |  |

1. *These refer to donations with intended uses as specified by the donors OR planned uses as endorsed by the SMC/IMC.* [↑](#footnote-ref-1)
2. *Details of the existing guidelines on investment are set out in the EDB Circular No. 2/2003 on The Choice of Bank Counterparties in the Investment of Public Assets dated 1 March 2003.* [↑](#footnote-ref-2)
3. 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, which should be properly documented. [↑](#footnote-ref-3)