

**Standing Orders of SMC / IMC
(For Reference Only)**

- Lay down the quorum for meetings.
- Lay down the meeting frequencies, attendance requirements, voting arrangements, etc.
- Draw up meeting schedules and notify members in advance.
- Provide adequate time for members to go through the agenda and discussion papers before a meeting.
- Resolve matters by circulation of documents only in case of emergency.
- Ensure all key and relevant issues are deliberated by members in a timely manner.
- Prepare minutes promptly after each meeting.
- Record accurately the committee's decisions, including members' views, in particular any dissenting comments.
- Require the minutes to be endorsed by the school management committee and signed by the Chairman.

Examples of Common Conflict of Interest

- A member of the school personnel taking part in the selection of textbooks or reference books which are written or edited by his / her spouse, family, relatives or personal friends, or published by a company in which he / she or his / her spouse, family, relatives or personal friends have a financial interest.
- A member of the school personnel taking part in the vetting / approving of tenders from a number of companies, one of which is operated by his / her spouse, family, relatives or personal friends or in which he / she or any such person has a financial interest, e.g. in the selection of textbook supplier, school uniform supplier, furniture and equipment supplier, school bus operator and tuckshop operator.
- A member of a selection panel considering the recruitment, acting appointment and promotion of staff, and a candidate being his / her family member, relative or personal friend.
- A member of a selection panel who applies for the post himself or any other post being advertised at the same time.
- A member of the school personnel investigating a complaint and the persons involved being his / her family member, relatives or personal friends.
- Teaching staff accept frequent or lavish entertainment provided by suppliers /contractors who have business dealings with the school.
- Teaching staff conduct admission interviews for children of their relatives or close personal friends child or involve in deciding their admission.
- Teaching staff nominate or select school personnel to participate in training courses or training overseas, whereas the nominees /candidates are their family members, relatives or close personal friend.
- Teaching staff refer their students to participate in private tutorial where one's own family members, relatives or close personal friend have financial interest in.

Sample Form for Declaration of Conflict of Interest (For Reference Only)

Part A - Declaration of Interest¹

To: *Supervisor / Chairman of the *School Management Committee / Incorporated Management Committee

I understand that if I, my family members and close relatives and personal friends have any direct or indirect interest in any *person / company which has business dealings with the school, I shall make a declaration to the *School Management Committee / Incorporated Management Committee.

I would like to declare the following *existing / potential conflict of interest situation arising from the discharge of my duties concerning the operation of the school or as members of the *School Management Committee / Incorporated Management Committee:-

- a) *Persons / companies with *whom / which I have official dealings *and / or private interests:

- b) Brief description of my duties which involve the *persons / companies mentioned in item (a) above:

Signature : _____
Position and Name : _____
Date : _____

¹ In the daily operation, as circumstances or events warrant, the persons concerned should draw other members' attention to their perceived conflict of interest. When such a situation arises, the SMC/IMC, or the school head as appropriate, should decide whether the person disclosing an interest shall be required to abstain from the duty assigned, or to abstain from the deliberation and decision on the subject.

Part B – Record of Resolution of the School Management Committee / Incorporated Management Committee

With respect to the above declaration,

- (name of the person making the declaration) should refrain from performing or getting involved in performing the *work / duty, as described in Part A, which may give rise to a conflict.
- (name of the person making the declaration) may continue to handle the *work / duty as described in Part A, provided that there is no change in the information declared above.
- Others (please specify)

Signature: _____
(*Supervisor / Chairman of the *SMC/IMC)²

Date of Meeting / Date: _____

(*Delete as appropriate)

² For declarations made by school staff (excluding school principal) in respect of operation matters such as tendering and purchasing, staff recruitment, the SMC/IMC may delegate the approving authority to the school principal.

School Code of Conduct - Self-Assessment
(For Reference Only)

	Yes	No
1. <u>Setting Standards -School Code of Conduct</u>		
(a) Whether the school has formulated a Code of Conduct, which provides guidelines on the conduct of SMC members and staff?	<input type="checkbox"/>	<input type="checkbox"/>
(b) Are the following aspects included in the Code of Conduct to offer guidance for SMC/IMC members and staff?	<input type="checkbox"/>	<input type="checkbox"/>
• request and accept gifts and other benefits	<input type="checkbox"/>	<input type="checkbox"/>
• provide others with advantages or business opportunities (including loans) in order to obtain personal benefits or influence others	<input type="checkbox"/>	<input type="checkbox"/>
• acceptance of hospitality /entertainment	<input type="checkbox"/>	<input type="checkbox"/>
• comply with the Prevention of Bribery Ordinance	<input type="checkbox"/>	<input type="checkbox"/>
• declare a conflict of interest	<input type="checkbox"/>	<input type="checkbox"/>
• handle confidential information and school assets	<input type="checkbox"/>	<input type="checkbox"/>
• relationship with suppliers and contractors	<input type="checkbox"/>	<input type="checkbox"/>
• disciplinary action	<input type="checkbox"/>	<input type="checkbox"/>
(c) Whether the school has appointed a staff with appropriate authority to handle the declaration of conflict of interests and other matters related to the Code?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, title of the appointed staff: _____		
Is the rank appropriate?	<input type="checkbox"/>	<input type="checkbox"/>
(d) Is there a mechanism to remind the members of SMC and staff of the content of the Code regularly?	<input type="checkbox"/>	<input type="checkbox"/>
(e) Are other stakeholders, including suppliers, contractors and other parties who have business contact with the school, aware of the contents of the Code, especially the policies on acceptance of gifts, interests and hospitality?	<input type="checkbox"/>	<input type="checkbox"/>
(f) Is there a regular review on the contents of the Code in order to cope with the current and future needs of the school?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, when was the last review: _____		
(g) Is now an appropriate time for reviewing the contents of the Code?	<input type="checkbox"/>	<input type="checkbox"/>

2 Awareness Enhancement -School Training and Integrity Promotion Program

(a) Did the school introduce its value and management of integrity to SMC members and staff through the following channels?

• Introduce the codes regarding conflicts of interest, confidentiality of information and some of the key values in the induction training course (or briefing sessions)

• Introduce legal requirements that are relevant to employment contracts and the school Code of Conduct in the induction training course (or briefing sessions)

• Did the introductory training courses and promotion on integrity or regulations include the following:

* introduce SMC members to integrity management and their responsibilities

* introduce department heads to the responsibility of managing staff integrity and relevant skills

* introduce the staff to their roles in maintaining staff integrity and preventing corruption

* introduce the staff to common conflict of interest at work and teach them how to deal with moral dilemmas

* internal communication channels, such as notices, newsletters, posters, intranet, etc.

* integrity promotions, such as exhibitions, quiz, and other types of games

• Other training courses/channels: (Please specify)

(b) Is now an appropriate time for arranging training courses?

Yes No

3. Plug the Loopholes - Monitoring of Corruption Prevention System

(a) Whether the school has applied system monitoring to the following range of functions in order to plug the loopholes of conflict of interest /integrity (such as operational guidelines, procedures, control mechanisms, regular internal audits, etc.)?

- Tender / procurement Yes No
- Contract management Yes No
- Admission procedures Yes No
- Financial and accounting Yes No
- Recruitment and personnel management Yes No
- Unauthorized use of assets and school equipment Yes No
- Use of information technology Yes No
- Others: (Please specify) _____ Yes No

(b) Is there a regular review on school policies and operating practices /procedures /guidelines? Yes No

If yes, when was the last review: _____

(c) Is now appropriate for reviewing the system control? Yes No

Direct Subsidy Scheme School
Sample Code of Conduct for the School Managers (For Reference Only)

Introduction

1. The School's Management Committee (the Committee) is fully committed to the principle of honesty, integrity and fair play in the conduct of its business. To uphold public trust and protect the interests of the school and its students, it is important for School Managers to handle the school's business in an impartial manner and to ensure that the school's reputation will not be tarnished by any acts of dishonesty, impropriety or corruption. To this end, this Code of Conduct sets out the standard of conduct expected of all School Managers.

General Principles

2. To uphold a high standard of integrity, a School Manager shall:
- (a) ensure that his conduct would not bring the Committee and the school into disrepute;
 - (b) refrain from doing anything which may compromise or impair his integrity, impartiality, or capacity to perform the Committee's duties; and
 - (c) adhere to any rules and procedures made by the Committee for the performance of its functions, and those governing School Managers' conduct in relation to the business of the Committee.

Acceptance of Advantages

Official Capacity

3. A gift/souvenir presented to a School Manager in his official capacity is regarded as a gift to the Committee (e.g. a gift/souvenir presented to a School Manager who represents the Committee to participate in an event or to officiate a ceremony). A School Manager shall seek the Committee's permission for acceptance of these gifts/ souvenirs and the method of disposal.

Private Capacity

4. Where a School Manager is offered an advantage in his private capacity, he may accept it if:

- (a) the acceptance will not affect the performance of his duties as a School Manager; and
- (b) the acceptance will not affect his objectivity in conducting the Committee's business or induce him to act against the interest of the school and its students.

If a School Manager feels that he would be obliged to reciprocate an advantage by returning to the offer or a favour connected with the school's business, he should decline the offer.

Acceptance of Entertainment

5. A School Manager shall not accept overly frequent or lavish entertainment from persons or organisations having official dealings with the school (e.g. suppliers, contractors, trading operators), in order to avoid embarrassment or loss of objectivity when considering matters in relation to these persons or organisations.

Conflict of Interest

6. A School Manager shall avoid putting himself in a position that may lead to an actual or perceived conflict of interest. A conflict of interest situation arises when the private interest of a School Manager competes or conflicts with the interest of the Committee. "Private interest" includes both the financial and personal interests of the School Manager and those of his connections, including family members, relatives, friends, clubs and societies to which they belong, as well as people to whom they owe a favour or are obligated in any way.

7. In a school, conflicts of interest may arise in the following situations, which are by no means exhaustive:

- (a) A School Manager being a director, partner, employee, etc. of a company which is connected with a matter under consideration by the Committee.
- (b) A School Manager having pecuniary interests in a matter under consideration by the Committee.
- (c) A School Manager having a close friendship or relation with an individual who have interest in a matter under consideration by the Committee.

8. A School Manager shall declare in writing to the Committee if there is any actual or perceived conflict of interest in relation to his duties as a School Manager. He shall refrain from dealing with the matter in question or follow the instruction of the Committee.

Use of Confidential or Privileged Information

9. A School Manager shall not take advantage of, or let any person or organisation benefit from, the confidential or privileged information obtained in his capacity as a School Manager. He shall not disclose any confidential or privileged information of the Committee to any party unless he is authorised to do so and shall take necessary measures at times to prevent the leakage or misuse of the information.

Management of School Funds

10. A School Manager shall ensure the resources of the school are solely and properly used for the school's business and in the interest of the students. He shall ensure the school funds are used in a prudent and responsible manner to safeguard the interest of the schools and its students. An open, fair and competitive mechanism should be adopted for the procurement of goods/services and recruitment of staff for the school.

Misuse of Official capacity

11. A School Manager shall not misuse their official capacity to benefit himself, his relations or any other persons with whom he has personal or social ties, or render favour to any person or organisation.

Trial Version
Self-evaluation Checklist
on Governance and Administration of DSS Schools

1

School Year: _____

Part One: Major Policies on School Governance and Administration

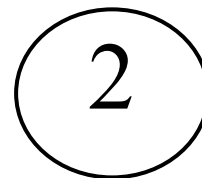
(To be completed by the SMC/ IMC)

Checklist	Yes/ No/ N.A.	Major Reference
A. Composition and Operation of SMC/IMC		
1	(a) [For SMC school bound by the Service Agreement] The SMC comprises the stakeholders as managers as required in the Service Agreement.	The requirement in the service agreement signed by the SMC
	(b) [For IMC school] (i) The IMC comprises the managers as stipulated in section 40AL(2) of the Education Ordinance. (ii) Parent managers of the IMC are elected through a secret-ballot election conducted by the PTA of the school, in which all parents can participate. (iii) Proper records of the election as mentioned in point (ii) above are kept. (iv) Teacher managers of the IMC are elected according to section 40AN(2)(c) of the Education Ordinance.	Section 40AL(2) and section 40AN(2)(c) of the Education Ordinance
2	All school managers are registered in accordance with the EDB's requirements.	Section 27 of the Education Ordinance
B. Declaration of Conflict of Interests		
3	Members of the SMC/ IMC and school staff declare any conflict of interest in writing that may influence, or appear to influence, their judgment or action in the performance of official duties with proper records maintained ^{Note} .	Para. 4 and Annex 1 of EDBC No. 17/2012
C. Discussion and Approval from SMC/ IMC on the Following Issues		
4	<u>Financial Management</u> (a) financial documents (including annual school budgets and annual audited accounts); (b) large-scale capital works; (c) thresholds for different modes of procurement of services/ goods; and (d) services/ goods with significant financial implications that are procured through tendering.	Para. 15(b), (c) and (d) of EDBC No. 7/2012
5	<u>Investment and Purchase of Properties</u> (a) investment policy and update (funds in the operating reserve or the fee remission/ scholarship reserve not	Para. 15(g) of EDBC No. 7/2012, and

^{Note} Under school-based management, DSS schools may exercise discretion to formulate its record retention and disposal policy. Nonetheless, schools should comply with the provisions in the Personal Data (Privacy) Ordinance and refer to the Code of Practice on Human Resources Management issued by The Office of the Privacy Commissioner for Personal Data in formulating the policy, which should be properly documented.

Checklist		Yes/ No/ N.A.	Major Reference
	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 ----- (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).		paras. 23 & 27 and Annex 3 of EDBC No. 17/2012
6	Human Resources Management the human resources policy, including staff recruitment, remuneration, performance management, promotion, leave and summary dismissal.		Para. 15(a) of EDBC No. 7/2012
7	<u>Fee Remission/ Scholarship Scheme</u> the policy and the report of the annual summary of implementation on the fee remission/ scholarship scheme		Para. 15(e) of EDBC No. 7/2012
8	<u>School Fee</u> the fee revision proposals		Para. 15(f) of EDBC No. 7/2012
<i>D. Quality Assessment and Compliance</i>			
9	The SMC/ IMC has discussed and approved the following documents under the School Development and Accountability Framework: (a) School Development Plan; (b) Annual School Plan; and (c) School Report.		Para. 15(i) of EDBC No. 7/2012
10	The SMC/IMC has discussed and rectified the irregularities in response to the advisory letter(s)/ warning letter(s) issued by the EDB (e.g. the management letter from School Audit Section).		Para. 15(h) of EDBC No. 7/2012
<i>E. Governance Review Sub-committee (Effective from the 2014/15 School Year)</i>			
11	The governance review sub-committee has a minimum of three members while one of them is a manager of the school and no parents of students studying in the school or paid staff under the management of the school principal serve as a member.		Appendix of EDBC No. 7/2012

Trial Version
Self-evaluation Checklist
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School Year: _____

Part Two: Human Resources and Personnel Matters

(To be completed by Principal/ Heads of Functional Committees)

Checklist		Yes/ No/ N.A.	Major Reference
A. Staff Recruitment / Remuneration / Promotion			
1	The school has put in place a recruitment policy that comprises transparent and open procedures (e.g. advertising job vacancies in newspapers or via other channels). The following are kept/ available in the process: (a) records in different processes of the recruitment exercise (e.g. selection result) ^{Note} ; and (b) a recruitment panel to conduct selection.		Para. 5 of EDBC No. 17/2012
2	The school has put in place a remuneration policy with criteria including qualification and experience. The deviations from the policy have been approved by the SMC/IMC and documented		Paras. 5 and 6 of EDBC No. 17/2012
3	The policy (including the formulation of objective criteria) on staff promotion is made known to the staff concerned.		Chapter 6 of “Best Practice Checklist: Governance and Internal Control in Schools” by the ICAC
4	There is a mechanism for declaration of interest or for avoidance of conflict of interest by staff involved in the recruitment exercise, in determining/approving the remuneration packages for individual staff and in the promotion exercise.		Ditto and para. 4, 5 & 6 and Annex 1 of EDBC No. 17/2012
B. Management of Staff Performance / Leave			
5	A mechanism for assessing staff performance has been set up and staff appraisal records are properly kept.		Para. 5 of EDBC No. 17/2012
6	The school has put in place policies on both paid and no-pay leave.		

^{Note} Under school-based management, DSS schools may exercise discretion to formulate its record retention and disposal policy. Nonetheless, schools should comply with the provisions in the Personal Data (Privacy) Ordinance and refer to the Code of Practice on Human Resources Management issued by The Office of the Privacy Commissioner for Personal Data in formulating the policy, which should be properly documented.

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Self-evaluation Checklist
on Governance and Administration of DSS Schools

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School Year: _____

Part Three: Financial/ Resources Management Matters

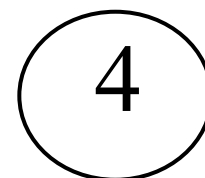
(To be completed by Principal/ Heads of Functional Committees)

	Checklist	Yes/ No/ N.A.	Major Reference
A. Procurement			
<i>(i) Basic Safeguards</i>			
1	The school has put in place a school-based procurement policy with the following procedures: (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; (b) The staff involved in purchasing and supplies duties are required to sign an undertaking that they will declare any conflict of interest; and (c) Documentation of all procurements (including verbal quotations) is maintained ^{Note} .		Paras. 7 to 9 of EDBC No. 17/2012 and EDBC No. 15/2007
2	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.		Ditto
<i>(ii) Tenders</i>			
3	Two separate committees are set up for all tender exercises, one for tender opening and vetting (evaluation panel) and the other for tender approval. <i>[Late tenders should be rejected.]</i>		Ditto
B. Trading Operation			
4	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
5	There is a mechanism for declaration of interest or for avoidance of conflict of interest by staff involved in the selection of contractors/suppliers.		Ditto
C. Purchase of Property			
6	Schools' stakeholders are consulted when the school intends to purchase properties.		Paras. 27 & 28, and Annex 3 of

^{Note} A school is required to retain crucial records, such as accounts and vouchers, for a period of not less than 7 years. Under school-based management, DSS schools may exercise discretion to formulate its record retention and disposal policy, which should be properly documented.

Checklist		Yes/ No/ N.A.	Major Reference
			EDBC No. 17/2012
<i>D. Acceptance of Donations (in Money or in Kind)</i>			
7	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 <i>Acceptance of Advantages and Donations by Schools and Their Staff</i> , endorsed by the SMC/ IMC, documented and implemented properly.		Para. 17 of EDBC No. 17/2012
<i>E. Operating Reserve and Designated Reserves</i>			
8	<u>Long Service Payment Reserve</u> The 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 EDDB No. 16/2012
9	<u>Reserve for Donations with Specific Purposes</u> (a) The school has kept details of donations with specific purposes and proof of the intended uses as specified by the donors. ----- (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.		Paras. 17 to 19 of EDDB No. 16/2012 Ditto
<i>F. Fund Raising Activity</i>			
10	Guidelines on fund raising activities are formulated, endorsed by the SMC/ IMC, documented and implemented properly.		Paras. 15 and 16 of EDDB No. 17/2012
<i>G. Accounting Practices/ Internal Control</i>			
11	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 EDDB No. 17/2012
12	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.		Ditto

Trial Version
Self-evaluation Checklist
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School Year: _____

Part Four: Fee Remission/ Scholarship Schemes

(To be completed by Principal/ Heads of Functional Committees)

Checklist		Yes/ No/ N.A.	Major Reference
A. Fee Remission/Scholarship Scheme			
1	The required amount ^{Note} of school fee income has been set aside for the school fee remission/ scholarship scheme.		Paras. 2 & 3 of EDBC No. 10/2012 and para. 6 of EDBC No. 16/2012
B. Eligibility for Financial Assistance			
2	The school has adopted eligibility benchmarks no less favourable than the government financial assistance schemes for the fee remission/scholarship scheme. [If no, the school has to apply to the EDB for exemption from the requirement and students receiving fee remission before school adopts the revised eligibility criteria should not be affected.]		Paras. 2, 8 and 9(b) of EDBC No. 10/2012

^{Note} At least 10% of the school's total school fee income should be set aside to provide fee remission/ scholarship for deserving students. If a DSS school charges a school fee between $\frac{2}{3}$ (two-third) and $2\frac{1}{3}$ (two and one-third) of the DSS unit subsidy rate, the school should set aside 50 cents for the fee remission/scholarship scheme for every additional dollar charged over and above $\frac{2}{3}$ (two-third) of the DSS unit subsidy rate.

Class Discussion

For the five review items in the self-evaluation checklist set out below, a school has marked “Yes” for all of them. The relevant school policies/ practices are listed in the right column. Please comment if there is any room for improvement in the relevant school policies/ practices.

	Review Items in the Self-evaluation checklist	School Policies / Practices
1	Part 1, Item 6 SMC/IMC has discussed and approved the human resources policies, including staff recruitment, remuneration, performance management, promotion, leaves and summary dismissal.	According to the school’s current promotion policy, in order to standardize the promotion criteria, all candidates for promotion will be chosen and recommended directly by the principal to the SMC for approval.
2	Part 2, Item 1 The school has established its recruitment policy in a transparent and open way (such as advertising of all vacancies in newspapers or through other channels).	According to the school’s current recruitment policy, when recruiting a janitor, the school will post a recruitment notice at the school gate, stating the entry requirements (such as persons living in the same district as that of the school) and remuneration clearly in order to ensure a fair and open recruitment process.
3	Part 2, Item 6 The school has established its paid and unpaid leave policy.	According to the school’s current leave policy, teaching staff have to notify the principal verbally if they want to take unpaid leave for less than 3 days. If the principal has no objection and the daily work is not affected, the staff can take their unpaid leave. For unpaid leave more than 3 days, teaching staff have to submit written applications to the principal for approval.
4	Part 3, Item 1 The school has put in place a school-based procurement policy with the following procedures	The school’s procurement policies include the following arrangement: If there are not enough qualified suppliers for the school to choose from, the responsible staff can decide on the number of suppliers to be invited for a tender or a quotation, but such situations should be recorded.
5	Part 3, Item 2 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.	According to the tendering and procurement policy approved by the SMC, when purchasing services or goods that value more than \$80,000, the school has to invite tenders from at least 5 suppliers. When purchasing services or goods that value between \$40,000 to \$80,000, the school has to ask for at least 2 written quotations.

	Review Items in the Self-evaluation checklist	School Policies / Practices
		<p><u>Event 1</u> The school has organized an overseas students training camp with a budget of about \$100,000. As the training services required are unique and the training camps in the past five years were organized by the same overseas training organization, the school has therefore commissioned the same organization directly this year to organize the training camp.</p> <p><u>Event 2</u> The school signed a five-year lease contract with a copier supplier. Three years after the use of the copier, because of the unsatisfactory performance of the copier, the school accepted a new offer from another supplier, which values at approximately \$90,000. Apart from providing a more advanced copier to the school at a similar price, the new offer also covered the compensation for the breach of the old contract by the school.</p>

*Essential Items to be discussed at SMC/IMC Meetings
Group Discussion*

Discussion Topics

- 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 resource policies for senior teaching and administrative posts such as the recruitment, appointment, promotion and remuneration packages of senior teaching and administrative staff;
 - (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 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.
- According to the form given, which period of time in the school year do you think is appropriate to discuss the above issues at SMC/IMC meetings? You need to determine the number of SMC/ IMC meetings and when the SMC/ IMC meetings should be held throughout the school year, and then decide what to discuss at each meeting and explain why.

Group Discussion on Essential Items to be Discussed at SMC/IMC Meetings

Month	Dates of SMC/IMC meetings to be held [Please tick the proposed month]	Items to be Discussed [Please fill in (a) to (i) according to the above items]	Reason
<u>First Term</u> Sept			
Oct			
Nov			
Dec			
Jan			
<u>Second Term</u> Feb			

Month	Dates of SMC/IMC meetings to be held [Please tick the proposed month]	Items to be Discussed [Please fill in (a) to (i) according to the above items]	Reason
March			
April			
May			
June			
July			
Aug			

***Group Discussion on Essential Items to be Discussed at SMC/IMC Meetings
Suggested Answer***

Although there is no standard answer for the discussion, the following points can still be shared:

- SMC/IMC meetings should be evenly distributed in the whole school year. The number of meetings should be determined according to school-based needs. Nevertheless, in order to maintain the effective functioning of a school, regular meetings should be held at least four times.
- To tie in with the fee revision exercise, the annual school budget of item (b) can be discussed by the SMC/IMC in March or April of each school year.
- The financial report of item (b) can be submitted to the SMC/IMC for discussion at the end of the school year (July or August), or by the end of October together with the school development plan, annual school plan and school report.
- As the deadline for the submission of audited accounts is usually scheduled for end-March of each school year, the audited accounts have to be submitted to SMC for discussion by the end of March of each school year.
- The annual operation summary and approval criteria for fee remission /scholarship schemes under item (e) should be discussed by SMC at the end of the school year (July or August).
- Since the submission deadline for fee revision application is usually at the end of April of each school year, fee revision proposal under item (f) should be discussed by the SMC in March or April of each school year.
- Under the School Development and Accountability Framework, the school has to upload its school development plan, annual school plan and school report to its website within 3 months after the end of the school year (i.e. before or by the end of November of the following school year), therefore, school development plan, annual school plan and school report of item (i) should be discussed at the SMC meeting by the end of October.
- Items (a), (c), (d), (g) and (h) can be discussed according to school-based needs.

**Key Domains to be Reviewed
by the Governance Review Sub-committee**

Domain A: Human Resources Management

- Areas: (1) Staff Recruitment and Remuneration Policy
(2) Staff Performance Management System including Promotion/Demotion
(3) Complaints Mechanism (Staff and Public)
(4) Others

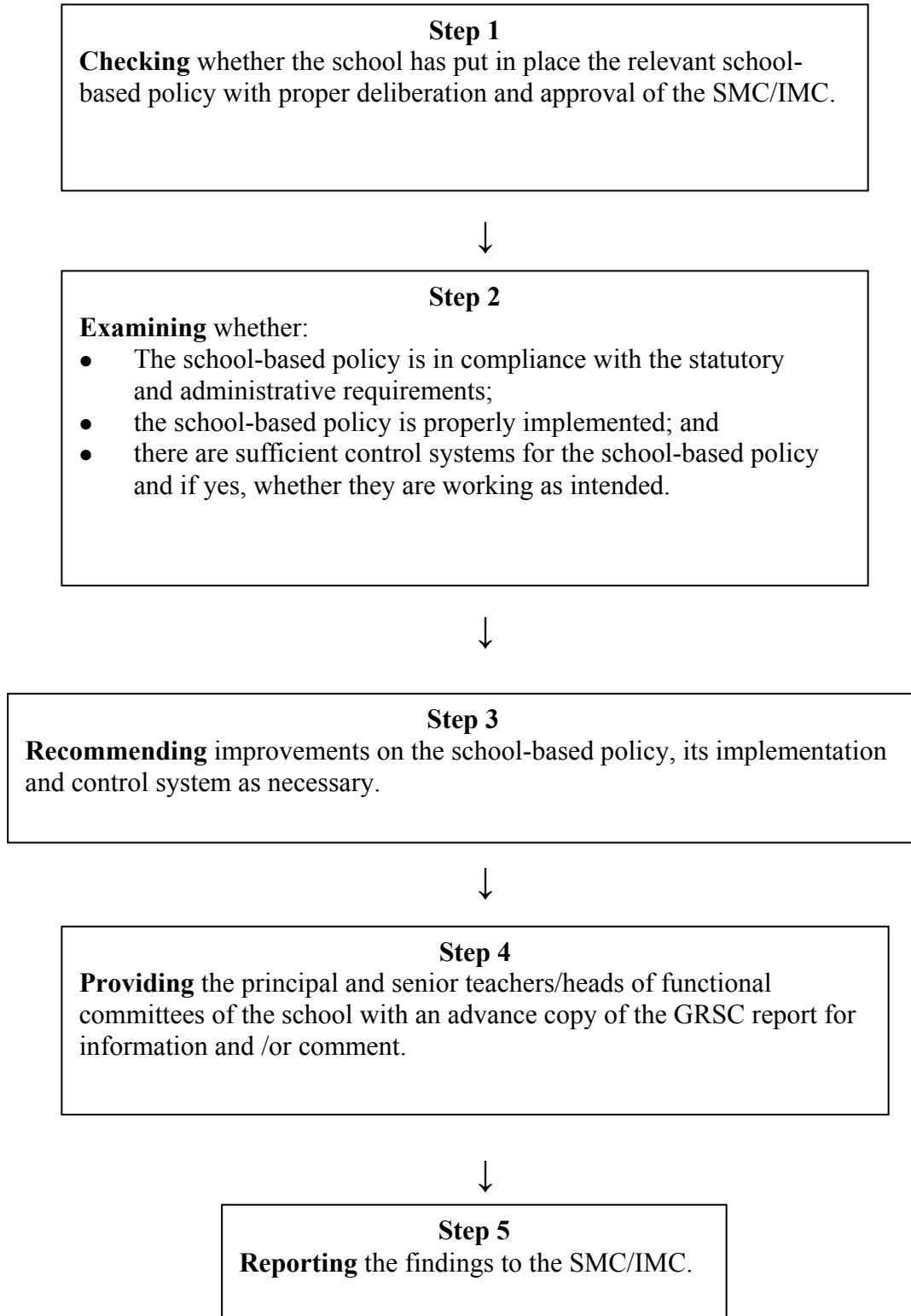
Domain B: Financial and Resources Management

- Areas: (1) Fees and Collections Policy
(2) Budgeting and Accounting Practices
(3) Tendering and Purchasing Policy
(4) Trading Operation
(5) Investment Policy
(6) Acceptance of Advantages and Donations
(7) Fund Raising Activity
(8) Others

Domain C: School Fee Remission / Scholarship Scheme

- Areas: (1) Criteria for Awarding Fee Remission / Scholarship
(2) Application Procedures, Approving and Appeal Mechanisms
(3) Publicity of Fee Remission / Scholarship Scheme
(4) Others

Proposed Procedures on Conducting Review of School-based Policies



This template is for Governance Review Subcommittee to review at least one to two aspects of the policies and procedures of the Self-evaluation Checklist completed by the school randomly.

<p>Governance Review Subcommittee Review Report <u>(Please specify areas studied)</u></p> <p>Period/Date: <u>(Please specify the period/date of review)</u></p> <p>Reviewing Areas: <u>(Please specify the area reviewed)</u></p>

	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
1					
2					
3					
4					

	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
5					
6					
7					
8					

*
Yes: Compliance with the relevant requirements - School-based policies fully comply with the relevant requirements. No further improvement or follow up is required.
No: Non-compliance with the relevant requirements -School-based policies do not comply with the relevant requirements. Based on the experience and decision of the Governance Review Subcommittee, rectification by the school is required.

Governance Review Subcommittee
Review Report on
(Please specify area studied)

Period/Date: (Please specify the period/date of review)

Area Reviewed: (Please specify the area reviewed)

Findings:

(A) Good Practices

(Please specify the good practices of the school)

(B) Irregularities

(Please specify the irregularities of the school)

Recommendations:

(Please specify the relevant recommendations)

Signature: _____
(Chairperson of Governance Review Subcommittee)

Signature: _____
(Member of Governance Review Subcommittee)

Signature: _____
(Member of Governance Review Subcommittee)

Date: _____

<p>Governance Review Subcommittee Review Report (Tendering and Purchasing Policy)</p> <p>Period/Date: <u>(Please specify the period/date of review)</u></p> <p>Reviewing Areas: <u>(Please specify the areas reviewed)</u></p>

	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
1	<p>The school has put in place a school-based procurement policy with the following procedures:</p> <p>(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;</p> <p>(b) The staff involved in purchasing and supplies duties are required to sign an undertaking that they will declare any conflict of interest; and</p>	√		<p>According to school-based procurement policy.</p>	

	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
	(c) Documentation of all procurements (including verbal quotations) is maintained.				
2	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.		√	The school has bought 20 computers in September, 2008 at the value of \$80,000 in total. The school did not accept the lowest price tenders, nor the rationale be documented.	
3	Two separate committees are set up for all tender exercises, one for tender opening and vetting (evaluation panel) and the other for tender approval. <i>[Late tenders should be rejected.]</i>		√	According to the school-based procurement policy, two separate committees (i.e. tender opening committee and tender vetting committee) should be set up for all tender exercises. However, the policy was not properly implemented in most of the tender exercises.	

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Yes: Compliance with the relevant requirements - School-based policies fully comply with the relevant requirements. No further improvement or follow up is required.

No: Non-compliance with the relevant requirements -School-based policies do not comply with the relevant requirements. Based on the experience and decision of the Governance Review Subcommittee, rectification by the school is required.

<p>Governance Review Subcommittee Review Report (Tendering and Purchasing Policy)</p> <p>Period/Date: <u>(Please specify the period/date of review)</u></p> <p>Reviewing Areas: <u>(Please specify the areas reviewed)</u></p>
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	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
1	The school has put in place a school-based procurement policy with the following procedures: (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; (b) The staff involved in purchasing and supplies duties are required to sign an undertaking that they will declare any conflict of interest; and			According to school-based procurement policy.	

	Review Items	Compliance		Finding/Evidence <i>N.B. Provide documentation where necessary</i>	Recommendations
		Yes	No		
	(c) Documentation of all procurements (including verbal quotations) is maintained.				
2	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.		√	The school has bought 20 computers in September, 2008 at the value of \$80,000 in total. The school did not accept the lowest price tenders, nor the rationale be documented.	<ul style="list-style-type: none"> • To put up the case with justifications for the SMC's covering approval. • To remind staff responsible for purchasing matters about the school's purchasing procedures including those for handling departures from the procurement policy at the beginning of each school year. <p><i>[Action School Personnel: The Principal]</i></p>

3	<p>Two separate committees are set up for all tender exercises, one for tender opening and vetting (evaluation panel) and the other for tender approval.</p> <p><i>[Late tenders should be rejected.]</i></p>		√	<p>According to the school-based procurement policy, two separate committees (i.e. tender opening committee and tender vetting committee) should be set up for all tender exercises. However, the policy was not properly implemented in most of the tender exercises.</p>	<ul style="list-style-type: none"> ● To set up two separate committees immediately and appoint appropriate staff to the two committees at the beginning of each school year. ● To remind staff responsible for purchasing matters about the school's purchasing procedures including the different responsibilities of the two committees at the beginning of each school year. <p><i>[Action School Personnel: The Principal]</i></p>
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Yes: Compliance with the relevant requirements - School-based policies fully comply with the relevant requirements. No further improvement or follow up is required.
No: Non-compliance with the relevant requirements -School-based policies do not comply with the relevant requirements. Based on the experience and decision of the Governance Review Subcommittee, rectification by the school is required.

Class Discussion

Background Information

The tendering and purchasing procedures of XX School were formulated by the former principal and vice principal a few years ago, and have not been submitted to SMC for discussion and approval. Such tendering and purchasing procedures were made with reference to EDB Circular No. 15/2007 "Tendering and Purchasing Procedures in Aided Schools". Based on the needs of the school, the procedure details have some minor differences with that of the circular.

The tendering and purchasing procedures of XX School and that in the EDB circular are listed as follows for reference:

Procurement arrangement set out in the EDB circular	Procurement arrangement set by XX School	
\$5,000 or below	\$10,000 or below	Competitive bidding not required for purchases of any stores or services provided that a member of school staff at an appropriate level certifies that such purchases are essential and their prices are fair and reasonable
Above \$5,000 but below \$30,000	Above \$10,000 but below \$100,000	By oral quotations (at least two)
From \$30,000 to \$50,000	From \$100,000 to \$200,000	By written quotations (at least two)
Above \$50,000	Above \$200,000	By tenders (at least five)

When dealing with procurement matters of services and goods, tendering and purchasing procedures of XX School clearly stated that staff involved in such procurement are required to adhere to the open, impartial and fair competition principles, and are also be reminded to comply with the provisions of declaring conflicts of interest. There is a clear division of labor for the staff involved in the procurement. Different staff is responsible for different role within the procurement process, such as invitation of suppliers /contractors for tenders or quotations; goods inspection and certification of services; as well as certification of payment. All these duties are taken up by different individuals. However, as the procurement record shown, occasionally, certain staff happened to be the member of Tender Opening and Vetting Committee, and Tender Approving Committee at the same time, while no conflicts of interest have been declared.

Class Discussion

Imagine you are a member of GRSC, after reviewing the tendering and purchasing procedures of XX School above, how would you report and give advice to SMC? For the format of the report, please refer to the template provided.

Answer Sheet

**Governance Review Subcommittee
Review Report on
(Please specify the area studied)**

Period/Date:

Areas Reviewed:

Findings:

Recommendations:

Signature: _____

(Chairperson of Governance Review Subcommittee)

Signature: _____

(Member of Governance Review Subcommittee)

Signature: _____

(Member of Governance Review Subcommittee)

Date: _____

Suggested Answer of Class Discussion

Findings:

1. According to the school-based tendering and purchasing procedures, different duties within the process has to be taken up by different staff, such as invitation of suppliers /contractors for tenders or quotations; goods inspection and certification of services; as well as certification of payment should be handled by different staff. Therefore, it is inappropriate to have a staff to be the member of both Tender Opening and Vetting Committee and Tender Approving Committee at the same time.
2. The tendering and purchasing procedures in the case were just formulated by the former principal and vice principal a few years ago, and have not been submitted to SMC for discussion and signature for approval.
3. Although such tendering and purchasing procedures were made with reference to EDB Circular No. 15/2007 " Tendering and Purchasing Procedures in Aided Schools" with minor changes, there are no record found to state the reasons for the changes, and have no evidence to show that those changes were approved by SMC. For example, the school raised the purchase limit from \$50,000, as stated in the circular, to \$100,000, no record can be found to indicate the reasons for such a change and prove that the change has been approved by SMC.
4. Personnel responsible for procurement has not declared any conflict of interest.

Recommendations:

1. The legitimacy of the tendering and purchasing procedure in this case is in doubt. According to the circular letter on Financial Management dated 21 November, 2007, DSS schools are required to follow as far as possible the guidelines set by EDB regarding the purchasing guidelines that are applicable to aided schools; any changes made different from the EDB Circular No. 15/2007 have to be approved by the SMC and be well-recorded for stakeholders' reference. Therefore, it is recommended to submit the relevant documents for the SMC's covering approval.
2. The school should specify that both "Tender Opening and Vetting Committee" and "Tender Approving Committee" should be formed by different staff.
3. Schools are required to remind personnel who are responsible for purchasing to comply with the requirement of declaring conflict of interest from time to time.