



SHARING ON AUDIT FINDINGS - MANAGEMENT ASPECTS 2020/21

SCHOOL ADMINISTRATION 3 SECTION

8 October 2021

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 (I)

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)

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

Declaration of Conflict of Interest

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)

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 (4)

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 mangers**
- 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 (5)

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 (6)

Advice on the Operation of Governance

Review Sub-committee (GRSC):

Example:

Complete the 2021/22
Checklist by November 2022

- 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

HUMAN RESOURCES AND PERSONNEL MATTERS (I)

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

HUMAN RESOURCES AND PERSONNEL MATTERS (2)

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"

HUMAN RESOURCES AND PERSONNEL MATTERS (3)

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 (4)

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 (5)

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 (I)

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

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 2020/21 s.y.:

■ Operation of the SMC/ IMC

- In compliance with the requirements as stated in Service Agreement (SA) / Memorandum and Articles of Association (M & AA)

■ 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

SHARING OF GOOD PRACTICES ON DECLARATION OF CONFLICT OF INTEREST

Good practices observed from schools in the 2020/21 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 2020/21 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 2020/21 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 promotion 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 2020/21 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 (I)

Extract of Staff Handbook of ABC's College on Recruitment Policy

■ All panel members in the recruitment selection board are required to:

“(a) declare conflict of interest if there are any private interests with the applicant including the financial and other interests of the panel member himself; his/ her family or close relatives; his/ her personal friends; or any person to whom he/ she owes a favour or is obligated in any way; and

(b) refrain from participating in the selection assessment if there is any conflict of interest, subject to the resolution of the School.”



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

Situation

- Applicant A for the post of Virtual Arts (VA) teacher in ABC College for 2020/21
 - Worked as a teaching assistant (TA) in the VA Department of ABC College under the supervision of the Panel Head in 2019/20
- Composition of recruitment board
 - Principal
 - Deputy Principal
 - Panel Head
- All of them ticked in the box stating '*I declare that there is no conflict of interest between me as the interview assessor and the applicant*' in the interview assessment form



Any problem(s)?

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

Observation and Recommendations

- Members of the selection panel should be required to report any situations where they or their immediate family or personal friends have an interest, financial or otherwise, in any matter under consideration by their school or in any company or organisation which has or is likely to have business dealings with the school
- The school should properly record any declarations or disclosures made and necessary action taken to avoid any actual or perceived conflict of interest



Reference: Paragraph 4 and Annex 1 of EDB Circular No. 17/2012

CASE STUDY B ON HUMAN RESOURCES AND PERSONNEL MATTERS: RECRUITMENT (I)

1. The staff member had been a student teacher in the previous year and was offered a full-time position in the current year
2. It was too difficult to hire a person for the post e.g. janitor due to a high turnover rate/ temporary short contract offered
3. There was only one candidate left after shortlisting as all other applicants did not fit the job requirements. The school found the candidate suitable for the job after interview without keeping any assessment records

Any problems?



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

Recommendations

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
- properly document assessment of even one candidate throughout the whole selection process



Reference: ICAC Best Practice Checklist Chapter 6.3.2

CASE STUDY C ON HUMAN RESOURCES AND PERSONNEL MATTERS : PROMOTION (I)

■ Scenarios regarding the absence of promotion records

1. Only a short brief for the recommendation of promotion of a teacher was recorded as a result of the sudden change of manpower of the school
2. Applicants for promotion did not receive any written notification from the management regarding their application result
3. Allowance was granted for the teaching staff who were appointed to take up a functional post without records of selection criteria and procedures



Any problem(s)?

CASE STUDY C ON HUMAN RESOURCES AND PERSONNEL MATTERS : PROMOTION (2)

Recommendations

Schools should

- review and/ or revise the school-based policy as appropriate to handle similar emergency situations
- design and prepare a standard promotion assessment form with objective selection criteria to select the suitable candidate(s) for promotion
- formally inform the applicants of their application result, regardless of whether their application is successful or not



CASE STUDY C ON HUMAN RESOURCES AND PERSONNEL MATTERS : PROMOTION (3)

Recommendation (Cont'd)

- devise a school-based mechanism / policy specifying the selection criteria and procedures for granting allowance to a/ the teaching staff who is/ are appointed to take up a functional post



Reference: ICAC Best Practice Checklist Chapter 6.3.7

CASE STUDY D ON FEE REMISSION (I)

Fee Remission Scheme of ABC College

- ▶ 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

CASE STUDY D ON FEE REMISSION (2)

Reference and Recommendation

- EDB Circular No. 10/2012
- To ensure that the school-based eligibility benchmarks are no less favourable than the government financial assistance schemes across all levels of remission





THANK YOU

