

Observation on the Operation of Governance Review Sub-Committee (GRSC)

School Administration 3 Section, Education Bureau

7 July 2017

Background of GRSC

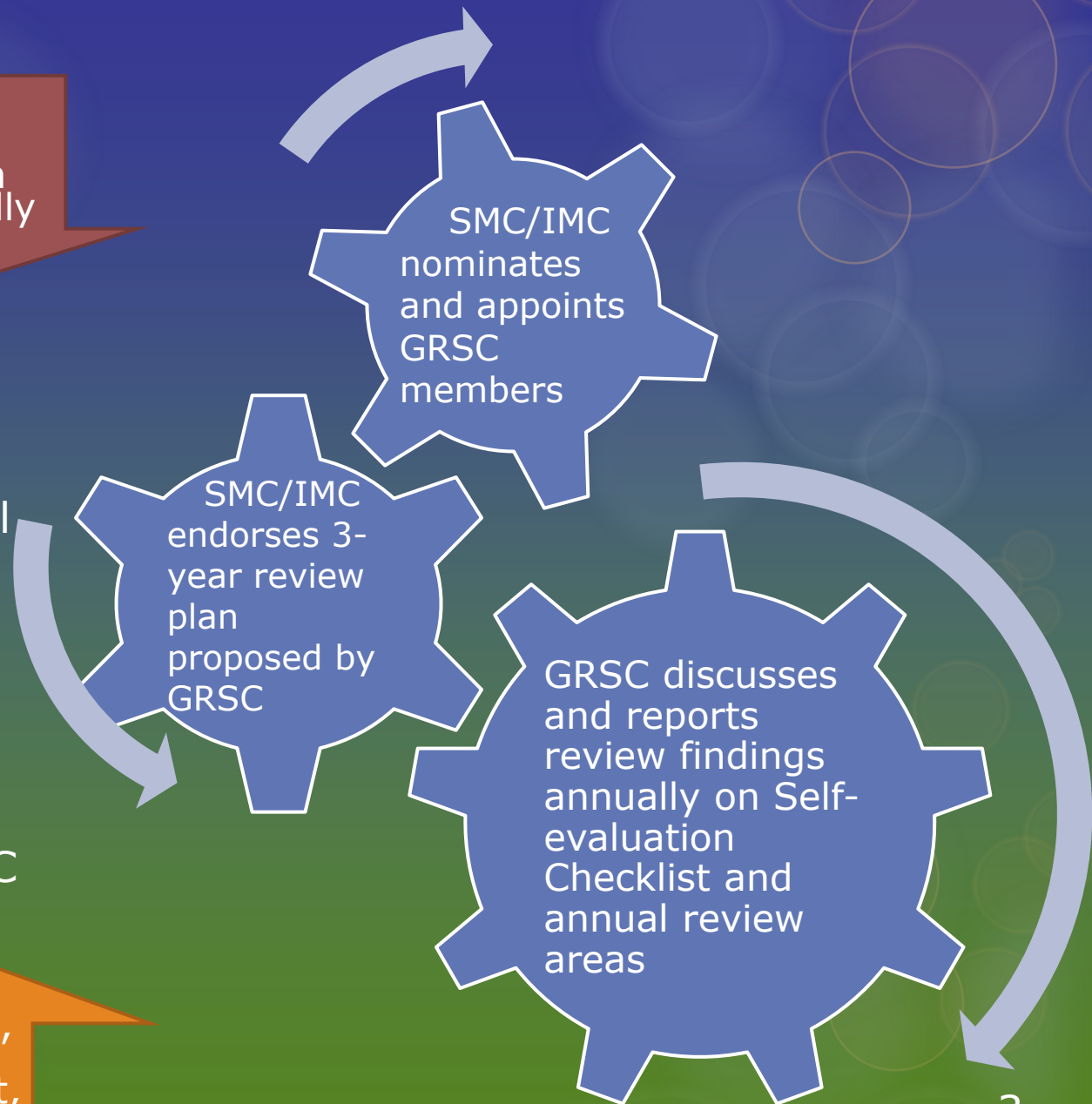
- One of the improvement measures recommended by the Working Group on DSS to enhance governance and internal control in DSS schools as announced via **EDB Circular No. 7/2012:**
 - functional mechanism under the SMC/IMC for regular system reviews of key management and financial control systems and procedures
 - set up by the end of the 2013/14 s.y.
 - first 3-year review cycle completed by 2016/17 s.y.

Roles

Review on 3 domains & Self-evaluation Checklist annually

- Assist SMC/IMC in reviewing various key management and financial control systems and procedures
- SMC/IMC assigns other duties as appropriate to GRSC

Advise on management letters, any internal/external audit report, etc.



Procedures

Step 1

CHECKING whether the school has put in place the relevant school-based policy with proper deliberation and approval of the SMC/IMC.



Step 2

EXAMINING whether

- the school-based policy is in compliance with the statutory and administrative requirements;
- the school-based policy is properly implemented; and
- there are sufficient control systems for the school-based policy and if yes, whether they are working as intended.



Step 3

RECOMMENDING improvements on the school-based policy, its implementation and control system as necessary.



Step 4

PROVIDING the principal and senior teachers/heads of functional committees of the school with an advance copy of the GRSC report for information and /or comment.



Step 5

REPORTING the findings to the SMC/IMC.

Implementation Progress

Implementation Progress: Observations (1)

Information collected through: -

- MFA
- school visits
- training/sharing sessions
- questionnaire surveys
- other contacts with GRSC members

Implementation Progress: Observations (2)

GRSC checked if: -

- existing school-based policies/ procedures/ practices had been discussed and endorsed by SMC/IMC
- the information completed on the Self-evaluation Checklist tallied with that in other school records/ documents

Implementation Progress: Observations (3)

GRSC examined if: -

the school-based policies were in compliance with the statutory and administrative requirements

- by referring to relevant EDB guidelines/ circulars
- by making use of the checklists shared by other schools or developed by the schools themselves
- by referring to the findings of EDB's audit inspections

Implementation Progress: Observations (4)

GRSC examined if: -

the school-based policies had been well-implemented, with control systems working as intended by

- referring to the information/ self-review report prepared by school staff
- referring to records of relevant SMC/IMC subcommittees/functional committees
- interviewing school staff
- conducting sample check

Implementation Progress: Observations (5)

GRSC compiled findings and recommendations by:-

- making corporate judgement through physical meetings, e-mails, etc.
- focusing on areas requiring rectification and/or improvement
- suggesting follow-up actions with timeframe



Restricted sessions arranged for finalizing findings & recommendations

Implementation Progress: Observations (6)

GRSC consulted the principal and senior teachers/ heads of functional committees through:-

- providing advance copy of the GRSC report
- having school personnel attending part of the GRSC meetings

Implementation Progress: Observations (7)

GRSC reported findings by:-

- reporting review findings at SMC/IMC meetings, which were documented in notes of meetings
- submitting written report for circulation and discussion among SMC/IMC members
- seeking SMC/IMC's endorsement of their recommendations


Implementation Progress: Observations (8)

Review on
financial
management

Taking different paces:

- **Nearly all GRSCs** → formulated 3-year review plan (endorsed by SMC/IMC)
- **Many GRSCs** → conducted review according to the plan; findings and recommendations submitted to the SMC/IMC annually for deliberation and follow-up actions
- **Some GRSCs** → could complete reviewing all items under the 3 domains by end-August 2017
- **A few GRSCs** → may not be able to complete reviewing all the items by end-August 2017

Review on Self-evaluation Checklist

- **School personnel** to complete **ALL 4 parts** of the Self-evaluation Checklist by **end-November annually**
 - Any **amendments** to the Checklist to be **approved by SMC/IMC**
 - Verify if items with “N/A” are genuinely not applicable and those with “No” require improvement
 - Cross-check to validate selected items with “Yes” (under the domain(s) reviewed in the school year concerned)
-  Provide **recommendations** on the non-compliance items



Review on FM

- One domain a year
- selected items on FM plus other domain(s) in a year
- **Methods**
 - ✓ with the use of EDB or school-based checklist(s)
 - ✓ following up items on the management letter, e.g. procedures for tendering/quotation
- **Focus and progress of review**
 - ✓ according to school needs, e.g. making collections from students, approving payments, budget and cash flow, etc.
 - ✓ capacity of GRSC members
 - ✓ follow-up actions on GRSC's recommendations

