

One-off Cash Grant for Schools to Set up Incorporated Management Committees (IMCs)

Purpose

The Government has provided central support in the establishment and operation of the IMCs. However, there are school-specific issues which can only be handled by schools and their school sponsoring bodies (SSBs). To help schools take on these tasks, EDB will provide schools with a one-off cash grant.

Ambit

2. Schools may use the grant to hire professional services (such as legal, financial or management consultancy service) to review contractual arrangements; set up Trust Funds, if necessary; draft an IMC constitution/a service agreement between IMC and the SSB or guidelines on financial management; and delineate funds and assets etc. The grant may also be used for employing extra staff for networking with parents and past students; setting up election systems; preparing the necessary documentation (such as election guides); assisting in organising manager elections; and setting up a more rigorous financial and management system (such as keeping a separate register of declarations and disclosures made by managers) etc. Besides, schools may also use the grant to conduct training for school managers and briefings for relevant parties to promote school-based management. For employment of staff under the one-off cash grant, all expenditure related to salaries, leave entitlement and related benefits such as Mandatory Provident Fund, long service payment and severance payment, etc. of the staff appointed should be paid out of this grant.

Disbursement arrangements

3. After an aided school has submitted a draft IMC constitution to EDB, we will arrange to disburse the one-off cash grant of \$350,000 to the school. Any surplus of the one-off cash grant will be clawed back by EDB at the end of the 2012/13 school year.

Arrangement after the establishment of IMC

4. In the following school year after the setting up of an IMC, schools will be eligible to apply for the reimbursement of relevant expenses on a need basis (at a ceiling of \$350,000) to meet the expenditure relating to the operation of the IMC in that year. The grant may be used to cover the expenses on a reimbursement basis incurred in -

- (a) employing extra staff (such as administrative staff/ an accounting personnel/ supply teachers) or hiring professional consultancy service to assist in putting in place proper financial and human resources management systems;
- (b) trying out financial management guidelines provided by EDB so as to establish a more rigorous check-and-balance system;
- (c) trying out the revised Code of Aid;
- (d) serving as a resource school to disseminate good practices;
- (e) organizing school-based training for IMC managers; and/ or
- (f) providing related benefits (e.g. MPF and leave entitlement) to staff employed under this grant.

Accountability

5. Eligible schools are required to set out in their School Development Plan how they are going to use the grant to support the establishment of the IMC and in their School Report, how the grant has actually been used. EDB will closely monitor the progress of the submission of the draft IMC constitutions from the eligible schools and the establishment of IMCs. On the other hand, we shall provide IMC schools with appropriate support to familiarize with the operation of IMCs. Besides, schools, especially those under the same SSB, may pool their resources together so as to make better use of the allocated funds to enhance cost-effectiveness. Relevant tendering/ procurement guidelines/ procedures should be observed when schools wish to procure services from service providers, including their sponsoring bodies, to ensure that the government resources are properly spent and accounted for. All tendering documents, including records of discussion and endorsement given at the SMC/IMC meetings as and where appropriate, should be properly kept for audit purpose.

Accounting arrangements

6. Schools are required to keep a separate ledger account to record all the income and expenditure chargeable to the one-off cash grant. Schools may deploy the Expanded OEBG, its surplus or their own funds to top up this cash grant if required.

7. If there are enquiries, please contact the School-based Management Section at 3509 8478.