

Education Bureau Circular Memorandum No. 37/2019

From: Permanent Secretary for Education

Ref.: EDB (SA)/ADM/150/5/86/1

Date: 20 February 2019

To: Supervisors/Heads of aided schools

(including special schools), government schools, caput schools and schools under the Direct Subsidy Scheme

c.c. Heads of sections – for reference

“One Executive Officer for Each School” Policy

Summary

Starting from the 2019/20 school year, the Education Bureau (EDB) will provide all public sector schools and schools under the Direct Subsidy Scheme (DSS schools) with additional administrative manpower/resources. This circular memorandum announces and sets out the implementation details of the “One Executive Officer for Each School” policy and invites schools to implement the policy in light of their school-based circumstances.

Background

2. The Education Commission set up the Task Force on School-based Management Policy (Task Force) in November 2017 to study the implementation of school-based management (SBM) policy in aided schools and, based on the results of the study, recommend support measures for the optimization of SBM. Among all the recommendations made, the proposed provision of additional resources for schools to handle administrative work received widespread support from stakeholders.

3. The Government accepted the Task Force’s recommendation that this proposal should be implemented as early as possible and the Chief Executive announced in her 2018 Policy Address that starting from the 2019/20 school year, all public sector schools and DSS schools will be provided with resources for hiring additional administrative manpower, enabling schools to review their school-based administrative arrangements and requirements, streamline administrative procedures, strengthen school administrative support and at the same time reduce the administrative work of teachers and principals, thereby, creating room for them to focus more on core education tasks and to take care of student development.

New initiative

4. Starting from 1 September 2019, each aided school (including special schools), regardless of the number of approved classes, will be provided with a school executive officer, and may choose either one of the modes below according to their school-based circumstances and needs:

- (i) creating a regular School Executive Officer (School ExO) post¹ within the approved non-teaching staff establishment of aided schools for appointing a full-time School ExO with a local bachelor's degree (or equivalent). The salary of the School ExO is pegged at that of a civil service Executive Officer II, i.e. Master Pay Scale Points 15 to 27. Please refer to **Appendix 1** for the entry requirements, proposed scope of responsibilities, remunerations and other appointment details of the post; or
- (ii) receiving the School Executive Officer Grant (SEOG) to recruit at least one full-time School ExO with a local bachelor's degree (or equivalent) or procure school administration-related service from service provider(s) which should include the provision of at least one full-time school-stationed School ExO² with a local bachelor's degree (or equivalent) to perform duties of School ExO as proposed in **Appendix 1**. The amount of the SEOG is benchmarked against the mid-point salary of a civil service Executive Officer II (\$507,960 per annum for the 2018-19 financial year) and subject to annual adjustment according to the mid-point salary of civil service Executive Officer II. Please refer to **Appendix 2** for the principles on the use of the SEOG.

5. Caput schools may choose either one of the modes as set out above in light of their school-based circumstances and needs for the School ExO and the related expenses will be taken into account when the Fee Subsidy for schools is calculated. As for DSS schools, the EDB will incorporate the expenses arising from implementation of "One Executive Officer for Each School" policy in aided schools into the DSS unit subsidy rate. As such, caput schools and DSS schools shall also appoint at least one full-time School ExO with a local bachelor's degree (or equivalent), or procure from service provider(s) school administration-related service which should include the provision of at least one full-time school-stationed School ExO with a local bachelor's degree (or equivalent). These schools should refer to **Appendix 1** for the entry requirements, proposed scope of responsibilities, remunerations and other appointment details of School ExOs and enhance their school administrative capacities as appropriate.

¹ This is not applicable to government schools as posts created in government schools are on civil service establishment, which is different from the practice in aided schools.

² Procurement of school administration-related service from service provider(s) is not applicable to government schools as School Administrative Executives in government schools are directly responsible for tasks related to government finance.

6. The EDB will, according to the choices made by aided schools, provide schools with regular School ExO posts or cash grant starting from 1 September 2019. Aided schools and caput schools should complete the form at **Appendix 3** to confirm their choice of creating a regular School ExO post or receiving the SEOG in the 2019/20 school year. The completed forms should reach the respective Chief School Development Officer³ **on or before 20 March 2019 (Wednesday)**. Please note that the choice made should be a decision already approved by the School Management Committee (SMC) /Incorporated Management Committee (IMC). In addition, to maintain staff stability, schools that opt for creation of a regular School ExO post within the approved establishment on or after 1 September 2019, under normal circumstances, will not be allowed to switch to receiving the SEOG in subsequent school years. However, schools may still apply for this switch in the next school year if exceptional circumstances arise (e.g. the regular School ExO appointed resigns/retires). Subject to schools' provision of sufficient justifications, the EDB will exercise discretion to consider such applications.

7. As for the 2020/21 school year and thereafter, the EDB will issue a circular memorandum to aided primary schools in late December every year on projected enrolment in the next school year and arrangements for filling teaching vacancies. Another circular memorandum will be issued to aided secondary schools in mid or late March on application for grants for operating classes and appointing teaching staff in the next school year. Schools⁴ should then confirm, using the forms enclosed in the circular memorandums (the relevant form for special schools is attached to the proposal letter on class organisation/and boarding capacity issued in April or May every year), the choice of creating a regular School ExO post⁵ or receiving the SEOG. The completed forms should reach the EDB before the specified dates.

Disbursement arrangements

8. For government schools and aided schools (including special schools) opting for the SEOG, the grant will be disbursed to schools by two instalments in September and April every school year. For caput schools, relevant expenses will be included in the calculation of the Fee Subsidy for schools, regardless of whether they opt to create a regular School ExO post or receive the SEOG. As for DSS schools, the expenses arising from implementation of "One Executive Officer for Each School" policy in aided schools will be incorporated into the DSS unit subsidy rate.

³ In the event that schools find it necessary to change the original decision after submitting Appendix 3, they should inform the respective Senior School Development Officers in writing on or before 30 June 2019. Please note that any such switch should apply to the whole school year and applications for effecting changes within a school year will not be processed.

⁴ Caput schools are included.

⁵ For schools switching from the SEOG to a regular School ExO post in a certain school year, if there is unspent balance of the grant, they may continue to deploy the balance up to 31 August of that school year. After that date, the EDB will claw back any unspent balance in aided schools (including special schools). For example, schools that opt to turn this cash grant into a regular School ExO post in the 2020/21 school year may use the unspent balance up to 31 August 2021.

Use of grant and financial arrangements

9. For accounting and auditing purposes, aided schools and caput schools are required to keep a separate ledger account. All incomes and expenditures⁶ chargeable to the SEOG should be recorded for making report as required (if necessary). For government schools, all relevant expenditure should be charged to the user code assigned and the SEOG is financial year-based and the funds allocated will not exceed the budgeted amount.

10. The SEOG should only be used for purposes set out in **Appendix 2**. In addition, the SEOG is not one of the constituent grants under the Expanded Operating Expenses Block Grant (EOEBG)/Operating Expenses Block Grant (OEBG)/Expanded Subject and Curriculum Block Grant (ESCBG). Schools should manage their finances in a prudent manner. If the SEOG has a deficit in a certain year, aided schools may deploy the surplus under EOEBG or the General Domain of OEBG to cover the deficit. Any remaining deficit should then be covered by the schools' own funds. Government schools may deploy the surplus of ESCBG to cover any deficit. For caput schools, the arrangements for covering deficit are not applicable as the expenses arising from implementation of the "One Executive Officer for Each School" policy have already been included in the calculation of the Fee Subsidy for schools.

Surplus retention and clawback arrangement

11. As the SEOG is a recurrent cash grant which aims to strengthen administrative support to schools, thereby creating room for teachers and principals to focus more on core education tasks, schools are required to optimise its use to bring the greatest benefit to each cohort of students. Hence, in principle, schools are not expected to retain surplus of the grant. However, some schools may have cogent reasons for not fully utilising their funding within a certain school/financial year to better meet their operational needs. Hence, we allow schools to retain a reasonable amount of unspent balance in a certain school/financial year and carry it forward for deployment in the next year to better meet their operational needs. Detailed arrangements are as follows:

- (i) aided schools with cogent reasons may retain an unspent balance of the SEOG up to 12 months' provision disbursed for the school year concerned. With reference to their annual audited accounts, schools should return any excess surplus to EDB. Transfer of funds and/or its unspent balance to other accounts out of this cash grant is not allowed.
- (ii) government schools are subject to the same arrangements applicable to aided schools, except that their cash grant should be accounted for on a financial year

⁶ Caput schools are only required to keep a record of expenditures.

basis. Unspent balance (if any) of the preceding financial year will be released at the beginning of the subsequent financial year. Any unspent balance in excess of the cap will lapse at the end of the financial year concerned. Transfer of funds and/or its unspent balance to other accounts out of this cash grant is not allowed.

- (iii) the arrangements for retaining and returning funds are not applicable to caput schools.

12. The implementation of measures or the options available under the “One Executive Officer for Each School” policy is subject to the passage of the Appropriation Bill 2019 by the Legislative Council.

Relevant amendments to the Codes of Aid and School Administration Guide

13. With the implementation of the “One Executive Officer for Each School” policy, the Code of Aid for Primary Schools, the Code of Aid for Secondary Schools, the Code of Aid for Special Schools, the Code of Aid for Aided Schools and the Compendium to Code of Aid for Aided Schools, as well as the School Administration Guide, will be amended accordingly.

Administrative and other arrangements

14. For matters related to appointment, hiring and procurement of services, please refer to the School Administration Guide and relevant EDB circulars and guidelines (if applicable). To enhance transparency and ensure the proper use of the SEOG, schools receiving the grant should set out how the grant is to be used in light of its own circumstances and school-based objectives. The relevant plan and details should be approved by the SMC/IMC and incorporated into the Annual School Plan and the School Report.

Induction programmes

15. The EDB will provide induction programmes for newly-appointed School ExOs in public sector schools. These programmes will cover school administration-related matters such as school finances and procurement, appointment of staff, assessment of staff salary, handling of school complaints, crisis management, maintenance of school premises and safety issues. Schools are encouraged to make proper arrangements to release their School ExOs for the above training. Details of the programmes and applications will be announced separately.

Briefing sessions

16. The EDB will organise two identical briefing sessions to introduce the implementation details of the “One Executive Officer for Each School” policy on 28 February 2019 (Thursday afternoon) and 1 March 2019 (Friday afternoon) (Government Schools Section will separately inform government schools of the implementation details). For details of and enrolment for these briefing sessions, please refer to the Training Calendar on the EDB website (Course ID: SA0020190094).

Enquiries

17. For the latest information and Frequently Asked Questions on the “One Executive Officer for Each School” policy, please refer to the Staff Entitlement Matters of Aided Schools page of the EDB website (Home > School Administration and Management > Administration > About School Staff > Staff Entitlement Matters of Aided Schools). For enquiries concerning this circular memorandum, please contact the respective Senior School Development Officer.

Ms Y Y SO
for Permanent Secretary for Education

**Approved Non-teaching Staff Establishment of Aided Schools
School Executive Officer (School ExO)**

Entry requirements, proposed scope of responsibilities, remunerations and other appointment details of the School ExO are listed below:

Entry Requirements: Applicants should have a local bachelor's degree (or equivalent)

Proposed Scope of Responsibilities: To assist in supervising and coordinating school administrative matters, for example:

- to assist the SMC/IMC to put in place a proper internal control mechanism for personnel and financial management;
- to support the operation of the SMC/IMC (such as communicating with school managers and relevant parties, preparing documents for meetings, drafting minutes of meetings, assisting in election and registration of school managers, coordinating school-based, joint-school or school sponsoring body-based training for school managers, and seeking legal advice based on school operational needs);
- to assist in the executive functions of financial resource management (such as procurement of goods and services, handling school trading operations, acceptance of donations, budgeting and financial control, accounting and maintenance of records) and human resource management (such as staff appointment, regrading, promotion and acting appointment, termination of employment, leave arrangement and salary assessment);
- to supervise and manage duties of non-teaching staff;
- to assist in reviewing school-based mechanisms, internal administrative arrangements and requirements (such as handling of school complaints, crisis management, parent education, maintenance of school premises and safety issues);
- to assist in handling of routine school administrative matters; and
- to liaise with stakeholders of the school.

Remunerations: Pegged at the salary level of civil service Executive Officer II, i.e. Master Pay Scale Points 15 to 27. Generally speaking, post-holders with satisfactory job performance will receive one increment within their respective rank scale each year until they reach the maximum point. If they assume duty on the 15th day of the month or before, their incremental date will be the first day of that month; if they assume duty on the 16th day of the month or after, their incremental date will be the first day of the following month. However, if the performance of the staff is unsatisfactory, the school may withhold an annual increment of the staff in accordance with relevant Codes of Aid.

<u>Probationary Period:</u>	Two years
<u>Conditions of Service:</u>	School ExOs are school administrative staff, their terms of appointment and welfare (including leave and retirement arrangements), and the arrangements for supply staff to cover their absence are similar to those applicable to school specialists remunerated by the Salaries Grant (please refer to the relevant Codes of Aid for details).
<u>Provident Fund/Mandatory Provident Fund:</u>	Schools are required to arrange for employees to enroll in the school Provident Fund (PF)/Mandatory Provident Fund (MPF) Schemes and make contributions for them under the scheme. School ExOs are employees within the approved non-teaching staff establishment and are remunerated by the Salaries Grant. They are eligible for employer's contributions to MPF Scheme at rates higher than those stipulated under prevailing MPF regulations according to their number of years of continuous contributory services, provided that they have satisfied relevant conditions and mutual agreement between employers and employees has been reached. Nonetheless, this is subject to the prerequisite that the School ExO concerned must have contributed 5% of his/her monthly salary as employee's contributions to the PF/MPF Scheme (even if his/her monthly salary exceeds the maximum income levels for each contribution period stipulated in the MPF Schemes Ordinance).
<u>Termination of Employment:</u>	During the probationary period, employment may be terminated by due notice or payment in lieu of notice as prescribed in relevant Codes of Aid or the Compendium to Code of Aid for Aided Schools. Thereafter, termination of employment will require a minimum of three months' notice or payment in lieu of notice as prescribed in relevant Codes of Aid or the Compendium to Code of Aid for Aided Schools, and subject to any other conditions as stipulated in the letter of appointment or contract of service.
<u>Work Experience Recognised for Salary Increment:</u>	As at 1 September 2019 or any date thereafter, if the employees have worked as School ExO in aided schools and remunerated under the Salaries Grant or the SEOG; and/or as School Administrative Executive in government schools under a non-civil service contract; and/or as School ExO in caput schools and DSS schools; and/or as School ExO hired by service providers to station in aided schools/caput schools/DSS schools, the number of years served (full-time equivalent) will be taken into account during the calculation of increments, provided that documents of proof (including certificates of service issued by former employers with clear description of their rank, year(s) of service, source of funding, percentage of full-time duties/part-time to full-time job ratio, no-pay leave taken) are submitted when they switch to School ExO within the approved establishment of aided schools.

Principles on the use of the School Executive Officer Grant (SEOG)

Schools are required to use the SEOG to recruit at least one full-time school-stationed School ExO with a local bachelor's degree (or equivalent), or, in light of school-based circumstances and students' needs, procure from service provider(s) school administration-related service, which should include the provision of at least one full-time school-stationed School ExO to perform duties of School ExO as proposed in **Appendix 1**. Any unspent balance of SEOG may be used to procure school administration-related service or recruit additional administrative staff. All costs incurred by employment, including salaries, leave entitlement and statutory benefits, such as Mandatory Provident Fund, Long Service Payment and Severance Payment, should be covered by the grant.

For schools that procure school administration-related service from service provider(s) with the SEOG, the service rendered by the service provider(s) may include:

- review of school-based policies and mechanisms (e.g. matters on staff development, staff management and financial management) to enhance the school administrative capacities and ensure compliance with relevant ordinances, regulations and requirements;
- provision of professional advice and administrative support, such as appointment of professionally qualified personnel to the school's working groups to assist in improving the school's workflow and strengthening internal control;
- creation of inter-school platforms for professional sharing and promotion of exchange among schools through different working groups or regular meetings; and
- provision of opportunities for collaboration among schools, such as joint-school training activities related to school administration or development of shared electronic systems.

Points to note for procurement of external service and appointment of staff

Government, aided, caput and DSS schools should note that the principle of equal opportunity should be duly observed in every procedure governing recruitment and appointment to avoid any forms of discrimination. Schools are also encouraged to consider employing people with disabilities if appropriate. Details on appointment matters, including the adoption of the Sexual Conviction Record Check Scheme and download of Appointment Forms of Non-teaching Staff in Aided Schools are provided on the Appointment Matters page of the EDB website.

Schools are required to act as good employers by determining reasonable remunerations for their staff, observing the terms of the contract into which they have entered with their employees and maintaining good communication with employees on such appointment matters as salaries and benefits. On the basis of fairness, reasonableness and lawfulness, schools should establish a well-defined mechanism for pay adjustment and adjust the pay of their staff appropriately, having regard to local economic situation and the actual circumstances of their staff. Schools should also enhance the transparency of their management and ensure that their employees are well aware of the salary adjustment mechanism and the way resources are deployed.

1. Government schools

- (i) Government schools should employ at least one full-time School Administrative Executive according to the terms and conditions under the Non-Civil Service Contract Staff Scheme.
- (ii) Government schools should comply with the requirements under the Employment Ordinance, Employees' Compensation Ordinance and Minimum Wage Ordinance, as well as related guidelines when they employ non-civil service contract (NCSC) staff. They should follow the procedures set out in EDB Internal Circular No. 6/2010 on employment of NCSC staff and ensure that the principles of openness and fairness are upheld when the SEOG is used to employ NCSC staff.
- (iii) Government schools should also be aware of the statutory obligations of EDB as an employer under the Mandatory Provident Fund Schemes Ordinance (Cap 485), and follow the Bureau's procedures to bring employees under a Mandatory Provident Fund Scheme.

2. Aided, caput and DSS schools

- (i) Aided and caput schools should refer to EDB Circulars and guidelines and observe the relevant tendering and procurement procedures, as well as the Points to Note on Handling Appointment Matters in Aided Schools posted on the Appointment Matters page of the EDB website.
- (ii) To avoid conflict of interests in the procurement of services and appointment of staff, caput schools and DSS schools should observe, where appropriate, the procedures and the points to note set out in various circulars.
- (iii) Aided, caput and DSS schools should comply with relevant statutory requirements, such as the Education Ordinance, Employment Ordinance, Mandatory Provident Fund Schemes Ordinance, Employees' Compensation Ordinance, and Minimum Wage Ordinance.

**“One Executive Officer for Each School” Policy
Arrangements for School Executive Officer
in the 2019/20 School Year**

[Applicable to Aided Schools (including Special Schools) and Caput Schools[#]]

[Please return the completed form **on or before 20 March 2019 (Wednesday)**]

To: Chief School Development Officer (_____ District)

In the 2019/20 school year, our school opt to*

(Please choose either of the following and put a ✓ in the appropriate box.)

- create a regular School Executive Officer post within the approved non-teaching staff establishment**
- receive the School Executive Officer Grant**

and such decision has been approved by the School Management Committee/Incorporated Management Committee.

Name of School : _____

Name of Contact Person : _____

Post of Contact Person : _____

Telephone Number : _____

<p>School Chop</p>

Signature of School Supervisor : _____

Name of School Supervisor : _____

Date : _____

[#] For caput schools, relevant expenses will be included in the calculation of the Fee Subsidy for schools, regardless of whether they opt to create a regular School ExO post or receive the SEOG.

^{*} In the event that schools find it necessary to change the original decision after submitting this form, they should inform the respective Senior School Development Officer in writing on or before 30 June 2019. Please note that any such switch should apply to the whole school year and applications for effecting changes within a school year will not be processed.