

Funding and Service Agreement¹

Occasional Child Care Service in Pre-primary Institutions

This Funding and Service Agreement applies to the following Pre-primary Institutions:

- Child Care Centres
- Kindergarten-cum-Child Care Centres

I Service Definition

Introduction

Occasional Child Care Service is a short-term day care service provided on a full-day, half-day or sessional basis in the respective institutions listed above.

Purpose and objectives

- To serve as a safety net to provide a safe venue for children whose parents / carers have to stay away from home on occasions due to various personal commitment or sudden engagement
- To minimize the risk caused to children being left unattended

Nature of service

Occasional Child Care Service is an ancillary service to the respective institutions listed above. The children admitted for the service will be provided with the same care and activities as arranged under the daily programme in these institutions. The activities should be suitable to the age and development of the children. To minimize adjustment difficulty in a new environment, intensive care and attention to the children will be provided.

¹ This Funding and Service Agreement is a sample document for reference only.

Target group

The target group is children of the same age group of the respective institutions listed above requiring temporary care due to sudden engagement and various commitment of their carers. Parents / carers can make direct applications to the institutions.

II Performance Standards

The Service Operators will meet the following performance standards.

Outputs

<u>Output Standard</u>	<u>Output Indicator</u>	<u>Agreed Level</u>
1	Rate ^{Note 1} of attendance ^{Note 2} within a year	50%

Essential service requirements

- Service hours are from 8:00 a.m. to 6:00 p.m., Monday to Friday, and from 8:00 a.m. to 1:00 p.m. on Saturday, except on the recognised school holidays ^{Note 3} of the respective institutions listed above.
- Qualified pre-primary service staff, i.e. child care workers and / or qualified kindergarten teachers and supporting staff are essential staff of the service.
- All services are to comply with the relevant legislations and operation manual of the respective pre-primary institutions.

Quality

The Service Operator will meet the requirements of the 16 Service Quality Standards (SQSs).

III Obligation of SWD to Service Operators

SWD will undertake the duties set out in the General Obligations of SWD to the Service Operator as specified in the Funding and Service Agreement (FSA) Generic Sections.

IV Basis of Subvention

The basis of subvention is set out in the offer and notification letters issued by SWD to the Service Operator.

Funding

An annual subvention will be allocated on a Lump Sum Grant (LSG) mode to the Service Operator for a time-defined period. This lump sum has taken into account the personal emoluments including provident fund, other charges applicable to the operation of the project and recognised fee income, if any.

In receiving the LSG, the Service Operator is accorded flexibility in the use of the grant but required to observe the guidelines set out in the latest LSG Manual, LSG Circulars, management letters and correspondence in force as issued by SWD on subvention policies and procedures as well as the relevant Guidance Notes for specific services. The LSG will be subject to adjustments including salary adjustments in line with civil service pay adjustments and other charges in line with the government-wide price adjustment factor. The Government will not accept any liabilities or financial implication arising from the project beyond the approved funding.

Payment Arrangement, Internal Control and Financial Reporting Requirements

Upon the Service Operator's acceptance of the FSA, payment of the LSG subventions will be made on a monthly basis.

The Service Operator is responsible for maintaining an effective and sound financial management system, including budget planning, projection, accounting, internal control and auditing. It should maintain proper books and records and supporting documents on income and expenditure relating to the project and make them available for inspection by the Government representative.

The Service Operator shall submit the Annual Financial Report (AFR) as reviewed and the annual financial statements of the NGO as a whole as audited by a certified public accountant holding a practising certificate as defined in the Professional Accountants Ordinance (Chapter 50) and signed by two authorised representatives of the NGO, i.e. Chairperson/NGO Head/Head of Social Welfare Services in accordance with the requirements as stipulated in the latest LSG Manual. The AFR should be prepared on a cash basis and non-cash items such as depreciation, staff leave accrual etc. should not be included in the AFR.

V Validity Period

This Funding and Service Agreement is valid for a time-defined period. Should the Service Operators be in breach of any term of condition of the Agreement and fail to remedy the same in such manner and within such time as shall be specified in a written notice from the SWD that the same be remedied, the SWD may, after expiry of such notice, terminate this Agreement by giving 30 days' notice in writing to the Service Operators.

Where there is any change to the performance standards within the agreement period, SWD will seek mutual agreement with the Service Operator and the Service Operator will be required to achieve new requirements in accordance with the specified implementation schedule.

Continuation of service for the next term will be subject to the relevant considerations such as the prevailing policy directive, service needs and the performance of the Service Operator. SWD reserves the right to reallocate the project.

Explanatory Note :**Keys Definitions**

Note 1 The calculation of **Rate** of attendance within a year

$$= \frac{\text{Total no. of sessional attendance during the year}}{\text{No. of places} \times \text{Total no. of sessions operating in the year}} \times 100\%$$

Note 2 **Attendance** refers to the number of children receiving service per session. Each 2-hour occasional child care service is counted as 0.5 session. A half-day service refers to 1 session while whole-day service is 2 sessions.

Note 3 Refer to the non-opening days of the respective institutions due to recognised school holidays comprising annual vacation leave of staff and special activities to encourage parental participation (such as parents' day/ meeting, parent-child activities, open day, graduation ceremony, festive season programmes/ outings, etc.) being stipulated in the school calendar approved by the respective authority.