

Funding and Service Agreement¹**Organisation-based Extended Hours Service
in Pre-primary Institutions****I Service Definition****Introduction**

Extended Hours Service (the Service) is the provision of longer hours of child care service by extending the stay of the children beyond the normal operating hours of pre-primary institutions in which they are enrolled.

Purpose and objective

The Service, being a support service attached to the pre-primary institutions as a safety net to prevent children from being left unattended, is to meet parents' need for longer hours of child care centre service arising from contingencies, or their engagement in employment/ re-training programmes/ job-seeking activities.

Nature of service

The Service is an ancillary service to the pre-primary institutions where the children are attended by familiar carers so as to ensure the proper provision of physical and emotional care in a safe environment. The provision of basic care for children should be the same as required in the individual pre-primary institutions concerned. A balanced programme should be designed according to the age and the developmental need of the children.

The Service Operator is required to provide the Service based on the distribution of places and the time schedules in the pre-primary institutions concerned under its management as agreed with the Social Welfare Department (SWD). Annually, the Service Operator has to review and adjust, as appropriate, the distribution of places and the time schedules in its pre-primary institutions in the light of the changes in service demand and the advice of SWD. The Service Operator should seek the

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

endorsement of SWD of the annual plan on the number of places and the time schedules in each of its pre-primary institutions in the coming school year. The total number of service hours in all these institutions in a normal week (i.e. a calendar week without any public holiday and recognised school holiday) in each school year should be identical with that allocated by SWD to the Service Operator on an organisational basis.

Target group

The target group is children of the same age group enrolled to the programme of normal operating hours of the pre-primary institutions. Applications for the Service can be made to the pre-primary institutions directly. Families with social need for the Service will be accorded priority. Service users with financial hardship and/or social needs can apply for the fee subsidy of SWD under the designated scheme administered by the pre-primary institutions in accordance with the prevalent guidelines as advised by SWD.

II Performance Standards

The Service Operator will meet the following performance standards.

Output

<u>Output Standard</u>	<u>Output Indicator</u>	<u>Agreed Level</u>
1	Rate of attendance ² in a year	80%

Essential service requirements

- Except for public holidays and recognised school holidays of the pre-primary

² **Attendance** refers to the number of children receiving the Service per session. Each morning or after-school session on Monday – Saturday refers to one session. A child whose service utilisation is less than, or the same as, or more than the maximum service hours in a session is counted as one sessional attendance. In this relation, the attendance rate in a year is computed as follows:
 (Total no. of sessional attendance in a year / No. of places / Total no. of sessions actually run in a year) x 100%

institutions³, the Service Operator is required to provide extended service hours in addition to the normal operating hours of individual pre-primary institutions at the time schedules as set out in the approval letter issued by SWD to the Service Operator.

- Qualified child care worker and/or qualified kindergarten teachers and supporting staff are essential staff of the Service.
- The Service should comply with the relevant legislations and operation manuals of the pre-primary institutions concerned.

Quality

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

III Obligations of SWD to Service Operator

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

³ **Recognised school holidays** refer to the non-opening days of the premises of concerned pre-primary institutions which, being stipulated in the school calendars as approved by the relevant authority, facilitate the arrangement for special activities to encourage parental participation (such as parents' meeting, parent-child activities, open day, graduation ceremony, festive season programmes, etc.) or for the annual vacation leave of staff. For pre-primary institutions under the administration of Education Bureau (EDB), the non-opening days are subject to EDB's approval. For aided standalone child care centres under the administration of SWD, please refer to the definition specified in the Funding and Service Agreement of Child Care Centre Service.

Applicable to Non-Lump Sum Grant Organisation

The Service Operator is required to comply with the rules set out in the Guide to Social Welfare Subventions, circular/ management letters and correspondence in force issued by SWD on subvention policies and procedures.

Applicable to Lump Sum Grant Organisation

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

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 the 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.

VI Other References

Apart from this FSA, the Service Operator should also comply with the requirements/commitments set out in the Service Specification, and the Service Operator's proposals and supplementary information, if any. Where these documents are in conflict, this FSA shall prevail. The Service Operator's compliance to all these documents will be closely monitored by SWD.