30 November 2010

Dear Parents,

Recent news regarding the Commissioner of Audit's Report 55.

I am writing to inform you of the school's response to the recent widely reported news about the Commissioner of Audit's Report 55. This report covers firstly the EDB's administration of the direct subsidy scheme and secondly the governance and administration of DSS schools. I wish to reassure you that the reports in the media do not accurately reflect the reality of how our school is governed and administered. Some newspapers have even used broad categories of allegations that can mislead readers.

You should know first of all that no staff member of the Commission of Audit has ever visited or contacted our school since the start of our operations in September 2006. The report and the list of DSS schools involved have been released to the media without the courtesy of giving prior notice to the concerned schools, nor offering any opportunity for them to respond to or challenge their comments.

We have read through the information available to us to determine why our school has been mentioned in the press. It appears to be in two areas:

1. School Governance & Administration
   a. Delay in entering into service agreements between the school sponsoring body / the School Management Committee and the EDB – the fact is that the delay was caused by EDB in both cases, even though we acted promptly and duly.
   b. Delay in signing tenancy agreement – this allegation is inaccurate. Although there was a delay of four months in the handover of the school premises to the school by the government, the school duly signed the tenancy agreement in Nov 2006, before we moved into our present premises in January 2007.
   c. Lack of principal, teacher and parent representative on the school board – the allegation is inaccurate and out of date. Our school principal has been on the School Board since the school’s inception. During the formation of the school, we undertook to appoint teacher and parent representatives to the School Board when our school reaches a practical and mature size. For your information, these two representatives have already been invited to join and serve on the School Board since the beginning of this school year.
   d. Not yet uploaded annual school plans and school reports on the website – Again, this appears to be inaccurate. All plans and reports for every school year are regularly updated and uploaded on the CSS website.
2. Financial Control

Setting aside of insufficient funds to support fee remission and scholarship applications - Since 2008, there has been a difference of opinion between EDB and our school in the detailed calculations of the required amount to be set-aside. The discussion is still ongoing and we feel that this unilateral allegation at this stage is unfair. The original requirement is for DSS schools to set aside a certain percentage of "school fees charged" for remissions and scholarships.

The EDB interpreted this to mean the school should base its calculation on all students on the school roll, including those "non-fee-paying" students who are on scholarships and fee remissions. The school's calculation has been based on fees actually collected from students. (i.e. actual "school fees charged").

We have articulated our argument to the EDB and stated that our way of calculation is more equitable and has already fulfilled the above requirement. To set aside fees that have not been charged or collected from "non-fee-paying students" would mean setting aside extra amount from the fee-paying students and unfairly lock up resources that may otherwise be utilized to enhance students' education.

We have checked the Audit Report in detail and the above are the only issues that have been identified. All other allegations in the press are either inaccurate or wrongly reported. All in all, we would like to reiterate and assure parents and students that, contrary to the sensationalized report in the press, the school's governance, financial control and administration are proper, open and professional.

The aim of the EDB Direct Subsidy Scheme is "to develop a strong private school sector by providing high quality schools other than government and aided schools so that parents have greater choice in finding suitable schools for their children". As a DSS school, we are by EDB's definition a quality private school that has attained sufficiently high educational standards. We believe staunchly that we have lived up to public expectations as proven by the recognition from world class organizations such as IB and IAE, as well as parental and student support - everything we do is for the benefit of our students and their learning, and for the long term progressive and innovative development of the school.

Being partially subsidized by public resource, we also openly welcome check and balance through public and governmental scrutiny. However, we feel that unjust allegations are unacceptable.

We value your commitment in and partnership with the school, and your opinions would always be welcomed. Please feel free to contact me if you have any queries and concerns.

Yours sincerely,

Cheung Siu Ming
Principal

cc. School Board and SMC members, CSS staff members, Education Bureau