



2.12 Payment of Fees & Bookings

Purpose

The *Education and Care Services National Regulations* require John Street to have a policy on the payment of fees.

Objective

To ensure that:

- Families are provided with information and advice about fees, the Child Care Subsidy application process, a simple fee payment process, accurate fee payment statements and a process where family difficulties in maintaining fee payment can be addressed in order to prevent any negative impact on the care provided to their child/ren
- Educators are provided with a clearly explained fee payment process to communicate with families in a way that any fee payment issues do not impact negatively on the relationships between educators, children and families
- The Board has sufficient fee income to ensure maintenance of a quality service, and processes to ensure fee payments are up to date with accurate collection records maintained.
- Children are provided with continuity of care and family support where payment of fees is an issue

Scope of Policy

This policy applies to all families of John Street.

Policy Statement

Fees will be set at a level determined by the Board having taken into account John Street's income, expenses, costs and other liabilities. In setting fees, the Board's objectives shall be to ensure the centre can provide a quality education and care service whilst remaining financially viable at all times.

Fee reviews will be carried out each year on completion of the annual budget, and as otherwise required should a change in budget necessitate such a review.

The setting and payment of fees takes into account all requirements of the Education and Care Services National Regulations, Australian Tax Office, Privacy Act and the guidelines contained within the Australian Government Child Care Service Handbook.

All records held at the service will be maintained in accordance with John Street's Confidentiality and Privacy Policy, and John Street understands the importance of maintaining accurate fees statements and providing clear information to families on fees payment processes.

Procedures

Accounts:

- The Board will determine the required fee level to meet budget prediction.
- The fee schedule and fees payment policy will be fully explained to families during the enrolment process.
- Fees payable will be based on either daily or weekly amounts.
- Families will be given a minimum of 14 days' notice of any fee increase.
- The same fee will be charged to all families for equivalent care arrangements.
- Families are required to pay fees in advance. A detailed statement of accounts is sent to families every fortnight, and upon request.
- Families pay for a place and may elect to book a full-time, or part-time place. Families who book places are required to pay fees on public holidays if the holiday falls on their normal day of care (except for Christmas closure period).
- Families with a permanent booking may be able to access "occasional" days. This is a day of care, other than the usual booking, which may be offered. These days are reliant on availability of space within the child's room. Occasional days are charged as they occur. An absence on an occasional day will not be charged.
- Fee payment will be recorded according to Australian Government Guidelines.
- Details of an individual's account and all completed forms kept by John Street will be confidential and stored appropriately. Individual families may access their own account records at any time. Particulars of fees will be available in writing to families upon request.
- Families may also view details about their child care usage and total fees charged and the fee reductions calculated by Centrelink through the Child Care Subsidy System (CCSS). To make Child Care Subsidy claims and view the status of their claims, families will be able to go to my.gov.au and sign in to access their Centrelink online account. If they do not have a MyGov account, they can create one and link it to their Centrelink online account.
- Families should contact John Street to advise of their child's inability to attend as soon as this is known. Fees will still be required on days the child would normally attend.

Split Accounts

- In some circumstances, John Street may agree to a 'split' account, in which case it will invoice two people separately for an agreed % of the fees due in relation to the child/ren concerned.
- The granting of a split account is at John Street's discretion, taking into account the personal circumstances of the family concerned.
- Please note, in the event of a split Account, each Account holder shall remain jointly and severally liable for the entire fees payable in relation to the child/ren. This means if one of the individuals fails to pay, John Street shall be entitled to require payment of overdue amounts from the other split Account holder.

Child Care Subsidy (CCS) & the Child Care Subsidy System (CCSS)

- John Street will comply with the Australian Government requirements to be an approved education and care service for the purposes of the Child Care Subsidy, the online Child Care Subsidy System (CCSS) reporting requirements and any other requirements for claiming and administering CCS.
- It is the enrolling parent/guardian's responsibility to complete and lodge their CCS application/s. Families who utilise mixed care arrangements will need to apply for each type of care they will use i.e. Long Day Care, Family Day Care.
- All fees are charged at the full rate and submitted to the CCSS office. Each family's eligibility for CCS is then calculated and John Street is then forwarded these funds. Deductions may then be made to each individual family's accounts.
- Any changes in a family's financial circumstances may result in cancellation of CCS. It is the family's responsibility to contact Centrelink if they wish to dispute this or discuss it further.
- CCS will be deducted from a family's fees within 14 days of the service being notified of the amount via CCSS.
- Families with children seeking CCS for the first time will be required to meet the Australian Government's immunisation requirements. John Street will provide information to these families in regard to this requirement in the family handbook.
- Families will only be eligible for CCS if child care attendance records are accurately completed and signed by the parent/guardian or other responsible adult, and other eligibility requirements are met.
- Families are entitled to 42 absence days for each registered child in each financial year. CCS is paid for these days provided that the child would normally have attended on that day, and fees have been charged.
- Additional absences can be claimed when the first 42 days have been used. Supporting documentation may be required for approval of additional absences.
- Additional Absence guidelines are as follows:

- An illness (with a medical certificate)
 - An outbreak of an infectious disease, when the child is not immunised
 - Any other absences due to sickness of the child, a parent or sibling, supported by medical certificates
 - A parent being on a rotating shift or rostered day off
 - A temporary closure of the centre or a pupil free day
 - Shared custody arrangements due to a court order, consent order or parenting order
 - Attendance at preschool
 - Exceptional circumstances.
- All documentation pertaining to CCS will be kept for the specified period of time and made available to Australian Government Officers on request.
 - The Director will be trained in the implementation and administration of CCSS reporting CCS and fee payment procedures.
 - **John Street is not responsible for the calculations or allocation of Child Care Subsidy to families. Families must liaise with Centrelink for all of these matters.**

Payment of Fees

- Fees are payable from the agreed commencement date and must be paid two weeks in advance.
- In the event of a child care place becoming available you may be offered a placement prior to your nominated "date requiring care". Upon acceptance of a childcare place you may then be required to commence payment of childcare fees accordingly, regardless of whether childcare is utilised at this time.
- It is preferred that fees are paid via electronic funds transfer by direct deposit (internet banking). Cash or cheque payments can be arranged, and these payments are to be given directly to the office team.
- Families who wish to utilise internet banking through electronic funds transfer by direct deposit are asked to use the first initial and surname of the enrolled child as reference identification, and deposit through the following account details:

ACCOUNT NAME: <u>John St Community Early Childhood Co-operative</u> BSB: <u>063 212</u> ACCOUNT NUMBER: <u>10242996</u>
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- In the event of a cheque payment being dishonored any associated charges incurred (such as bank dishonor fee) will be redirected to the family concerned.

- **Cash is not kept on the premises and therefore change cannot be given.** Credit will be made for the following weeks of childcare if the incorrect amount is given.

Overdue fees

As John Street is a not-for-profit service operating on a break-even budget we are reliant on prompt and regular fee payments to ensure a steady cash flow and to continue to make ends meet.

Parents/Guardians with overdue fees will be encouraged by the office to discuss any difficulties they may have in meeting payments and make suitable arrangements to pay, including the option of a payment plan.

In relation to overdue fees, John Street shall be entitled to take the following steps:

After 2 weeks overdue	A polite written reminder or verbal reminder will be given to the parent/guardian.
After 4 weeks overdue	<p>A formal letter will be sent to those person/s responsible for payment of the account.</p> <ul style="list-style-type: none"> • The letter will explain how much is overdue and request that payment be made within 14 days. • This letter will include a reminder that parents/guardians are encouraged to discuss payment difficulties and make suitable arrangements to pay with the office staff. • The letter will also warn that sustained non-payment could result in partial/permanent exclusion of the child/ren. • This letter will be followed up with a phone call from the office.
After 6 weeks overdue	Depending on the conduct of the parents/guardians, John Street may issue further formal correspondence relating to this matter.
8 weeks+ overdue	<p>If no arrangements to pay have been made or if agreed payments have been missed, John Street shall be entitled to implement partial or full exclusion (cancelation) of the child/ren's place.</p> <p>If this step is taken, a letter to the family will be sent from the Board advising the family of this and will include a copy of John Streets grievance and complaints procedure.</p> <p><u>Please note that exclusion or cancelation of a child's place shall not affect the parent/guardian's obligation to pay overdue amounts.</u></p> <p>Please note where fees remain overdue for more than 8 weeks,</p>

	<p>John Street may employ the services of a debt collection agency to collect payment. If these attempts are not successful, legal action may be taken to recover any fees not paid.</p> <p><u>After 8 weeks, John St may charge interest on the total amount owing at the rate of 1% per month, with interest to accrue daily.</u></p>
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Late collection fees

- The parent/guardian should ring John Street to advise they will be late to collect their child. Refer to John Street’s Delivery and Collection of Children policy.
- A late collection fee will be charged to parents/guardians for collection from the service after closing time.
- **Late fees are charged at \$30 for every 15 minutes, or part thereof.**
- The fee charged for late collections is determined by:
 - The service’s need to recoup expenses incurred in employee overtime wages.
 - The need to deter families from making a habit of late collections.
- Special circumstances will be given consideration in relation to the administration of late collection fees.
- When a family is continually and regularly late arriving at the service to collect their child, the nominated supervisor/coordinator will discuss other child care options with the family. (See Delivery and Collection of Children policy.)

Responsibility

It is the responsibility of all educators at John Street to implement this policy.

Legislative Provisions

DET Child Care Service Handbook 2017-2018:

Section 4.9	<i>Information Management</i>
Section 5.4	<i>Key obligations imposed on approved child care services under family assistance law</i>
Section 6.3	<i>Priority of Access</i>
Section 8	<i>Overview of Payments</i>
Section 9.3	<i>Reporting enrolment information</i>
Section 10	<i>Reporting attendance information</i>
Section 11	<i>Calculation of fee reductions and payments to services</i>
Section 13	<i>Absences from child care</i>
Section 14	<i>Special Child Care Benefit</i>
Section 15	<i>Child Care Rebate</i>

Education & Care Services National Law Act 2010 (Vic) – Section 3(3)(c); 175

Education and Care services National Regulations 2011:

<i>r.75</i>	<i>Information about educational programs to be kept available</i>
<i>r.158</i>	<i>Children's attendance records to be kept by approved provider</i>
<i>r.168(2)(n)</i>	<i>Education and Care Service must have policies and procedures</i>

National Quality Standard for Early Childhood Education and Care & School Age Care

Standard 6.1	<i>Respectful relationships with families are developed and maintained and families are supported in their parenting role.</i>
Standard 7.1	<i>Governance supports the operation of a quality service.</i>
Element 7.2.1	<i>Systems are in place to manage risk and enable the effective management and operation of a quality service.</i>

Background Legislation

Information Privacy Act 2000 (Vic)	<i>Management of personal information</i>
A New Tax System Act 2000 (Cth.)	<i>Family Assistance Administration</i>
Privacy Act 1988 (Cth.)	

Sources

Australian Government Department of Human Services *Child Care Subsidy* Accessed September 2018 from <https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>

National Professional Support Coordinator Alliance (2012) *Getting started with policies for the NQF: Policies in Practice template – Payment of Fees.* Accessed February 2012 from www.pscalliance.gov.au

Related John Street Policies, Procedures and Guidelines

Policies	<i>Dealing with Complaints; Confidentiality & Records Management; Delivery & Collection of Children; Enrolment, Orientation & Custody Arrangements; Illness & Infection; Immunisations; Communication with Families;</i>
Appendices	<i>Enrolment Form; Authority to Collect; Authority to Disclose Personal Information; Late Collection Form;</i>

Authorisation

This policy was approved by the John Street Board in March 2019.