

## POLICY – FEES & PAYMENT OF FEES POLICY

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### 1. National Quality Standards

Area	Concept	Descriptor
7.1.2	Management Systems	Systems are in place to manage risk and enable the effective management and operation of a quality service.
7.1.3	Roles & Responsibilities	Roles and responsibilities are clearly defined, and understood, and support effective decision-making and operation of the service.

### 2. Purpose

- 2.1 Baringa Child Care Centre Association Incorporated (Baringa) aims to provide a quality education and care service at an affordable price to families.
- 2.2 The purpose of this policy is to provide families with a clear understanding of how the Board of Directors (the Board) determines childcare fees, when/how fees must be paid and the consequences of non-payment.

### 3. Scope

- 3.1 This policy applies to all families of children enrolled at Baringa, including permanent and casual bookings.

### 4. Policy Statement

#### Annual Membership Fee

- 4.1 Baringa is a not-for-profit community association. All families are required to become members of the association and pay an annual membership fee and is added to the family's account.
- 4.2 The annual membership fee is specified in [Schedule 1](#). The fee is charged to the family account on the first payment after 1 August each year. The fee will be reviewed by the Board annually.
- 4.3 Membership years align with the association's full financial year, currently from 1 July to 30 June.

### **Centre Improvement Fund**

- 4.4 The Centre Improvement Fund (CIF) provides for improvements to indoor and outdoor space of the Centre. The Board will determine appropriate ways to use the funds to improve the Centre from time to time.
- 4.5 An annual payment is payable to the Centre by each family as specified in [Schedule 1](#). The fee is charged to the family account on the first payment after 1 June each year. The fee will be reviewed by the Board annually.
- 4.6 Families who have at least one family member volunteer their time to working bees, fundraising events, chaperone at excursions or equivalent voluntary contributions will be eligible to have their CIF waived or reimbursed, at the discretion of the Centre Management.

### **Child Care Fees**

- 4.7 The Board determines childcare fees, including with reference to the Centre's approved budget and periodic financial performance. The fee will be reviewed by the Board annually, and usually means fees are increased at least once a year.
- 4.8 The child care fees are specified in [Schedule 1](#). The same fee applies centre-wide, for all equivalent care arrangements.
- 4.9 The Board will provide families with a minimum of fourteen (14) days notice of any proposed fee increase.
- 4.10 Fees are payable for the days your child is booked into the Centre, including times when your child is absent due to illness. It is the responsibility of families to ensure they meet the attendance requirements of the Australian Government regarding absences that may impact eligibility for any child care subsidy or benefit.

### **Child Care Subsidy**

- 4.11 It is the responsibility of parents/guardians to complete and lodge their Child Care Subsidy (CCS) application with Centrelink. Parents/guardians with new enrolments should ensure all Centrelink requirements and processes have been completed prior to commencing care, to avoid or minimise delays in receiving CCS (see section 4.33).
- 4.12 Families will only be eligible for CCS if childcare attendance records are accurately completed and signed by the parent/guardian or other responsible adult, and other eligibility requirements are met.
- 4.13 All documentation pertaining to CCS will be kept according to law and shared with government authorities as legally required.
- 4.14 All families must sign a Complying Written Arrangement (CWA) agreement with Baringa, confirming the agreement between Baringa and families of the permanent care arrangements and entering into a paid service agreement.

### **Child Collection Late Fees**

- 4.15 Whenever possible the parent/guardian should call the service to advise they will be late to collect their child.
- 4.16 A late collection fee will be charged to parents/guardians for each child not collected from the service by the end of their session timeslot. Late fees are specified at [Schedule 1](#).
- 4.17 The fee charged for late collections is determined by:
- (a) the service's need to recoup expenses incurred in employee overtime wages;
  - (b) the need to deter families from making a habit of late collections; and
  - (c) special circumstances i.e. traffic accident or vehicle breakdown, will be given consideration in relation to the administration of late collection fees.

- 4.18 When a parent/guardian is regularly late arriving at the service to collect their child, the nominated supervisor will discuss other childcare options with the family (see 'Delivery and Collection of Children' policy in Policy and Procedure Manual).

### **Illness**

- 4.19 Parents/guardians should contact the Centre to advise their child's inability to attend as soon as this is known. Fees are payable on days the child would normally attend but do not attend due to illness.

### **Vacations**

- 4.20 For holidays a holding fee of half (50%) of your regular fee is required (holiday rate). Requests must be submitted to [admin@baringa.org.au](mailto:admin@baringa.org.au) at least 10 business days prior to the day requested.
- 4.21 The maximum eligible days for holiday rates per financial year are specified at [Schedule 1](#).
- 4.22 The discounted rate cannot be used for public holidays (see section 4.24).
- 4.23 Unused discounted holiday rates cannot be used in the new financial year or transferred to another child.

### **Excursions**

- 4.24 Excursions are part of the education program at Baringa and where applicable, families will be notified of excursion fees which will be added to the families' account.

### **Centre Closures**

- 4.25 *Public Holidays* – The Centre is closed on Public Holidays. Families are required to pay for public holidays if the holiday falls on a day when their child is normally booked in to receive care.
- 4.26 *End of Year Stand-down* – The Centre is closed on Christmas Day and re-opens on 2 January (or the next business day after 2 January). Families are not required to pay fees during this period.
- 4.27 *Staff Professional Development Day* – The Centre may be closed on Staff Professional Development Day to enable all Baringa educators and staff to participate in professional development. This will occur no more than one day per financial year. Families are not required to pay fees during this period.
- 4.28 *Government Mandated Stand-down* – The Centre is forced to close, if mandated by the ACT Government and/or Australian Government, such as due to a public health emergency. Families are not required to pay fees during this period.

### **Withdrawing**

- 4.29 A notice of ten (10) business days must be given when withdrawing a child from the Centre. The notice must be emailed to [admin@baringa.org.au](mailto:admin@baringa.org.au) and accepted by the Centre.

### **Fee Statements and Payments**

- 4.30 The Centre understands the importance of maintaining accurate fee statements and providing clear information to families on fee payment processes. Fee statements are provided fortnightly and available on request.
- 4.31 Families are charged in arrears and fees are due seven (7) days after the invoice date.
- 4.32 Fees must be paid by Direct Debit. The Centre does not have on-site merchant facilities and staff are not permitted to accept cash for fees.

### **Direct Debits**

- 4.33 Direct debit is the Centre's payment method. Direct Debit will be processed in arrears on a fortnightly basis on the families' preferred billing day. There is an option to process weekly if requested. Direct debit can be set up from a bank account or credit card.

- 4.34 Direct debit fees will be surcharged at cost, and a parent or guardian need to provide a Direct Debit Authorisation Form to the Centre.
- 4.35 For new enrolments, the first direct debit will commence on the third week of care, based on the balance of the first two weeks of bookings (charged in arrears). If CCS is active from commencement, the balance will be the gap cost after CCS. If CCS is pending, the balance will be accrued at full fees.
- 4.36 Centre Management will monitor direct debits and try their best to promptly contact families about any declined payments. However, families should try their best to notify the Centre Management in advance if their direct debit will be declined. Notification must be sent to [admin@baringa.org.au](mailto:admin@baringa.org.au). Centre Management may place a direct debit on hold if needed, with permission from the account holder.
- 4.37 Centre Management will try their best to inform families in advance if there needs to be a change to the amount that is direct debited, for example to ensure that accounts do not become overdue.
- 4.38 Direct Debit systems will be periodically reviewed to evaluate their continuing effectiveness.

### **Discounted Upfront Fees**

- 4.39 Families are entitled to attract a 5% discount for upfront payment of fees if payment is made by the requested due date.
- 4.40 The dates of the upfront payment blocks are specified at [Schedule 1](#).
- 4.41 Families wanting to take up this option must provide authorisation through a Discounted Fees Request Form. The upfront payment amount will be the estimated gap after CCS.
- 4.42 Upfront payments in relation to section 4.40 and paid by the due date may be made by Electronic Funds Transfer (direct deposit).
- 4.43 If families want to pay upfront after the payment due date the full amount will be charged.

### **New Enrolment Holding Fee**

- 4.44 For all permanent enrolments commencing from 1 October 2020 onwards, a Holding Fee received by direct debit is required prior to confirming the enrolment. The Holding Fee is equivalent of one (1) week for the child's bookings. This applies for each child even with multi-children families. For example, if your child is booked two days per week, full fees (without Child Care Subsidy) for two days will be charged.
- 4.45 The Holding Fee will be credited to your account once your child/ren commences. If you cancel your place prior to commencing, the Holding Fee will not be refunded.

### **QikKids**

- 4.46 The Centre uses the software platforms "QikKids", "QK Kiosk" and "QikPay" to manage enrolments, fees, attendances and billing. It is mandatory for all families to create and maintain an account including up to date contact and billing information.

### **Overdue Fees**

- 4.47 Baringa is a community based non-profit organisation. As such, we are obliged to meet all the cost of running the Centre (e.g. salaries, food, equipment, rent, insurance etc.) and the financial security of the Centre depends entirely on the prompt payment of fees. By keeping costs to a minimum, the Centre has been able to offer parents quality childcare services at very competitive rates.
- 4.48 Families will be regarded as having overdue fees where their account balance exceeds the equivalent of four (4) weeks of their child/ren's bookings. This includes instances where direct debits decline across consecutive billing cycles, resulting in a balance of four (4) weeks of their child/ren's bookings.
- 4.49 Families with overdue fees are encouraged to discuss their situation with Centre Management.

- 4.50 All repayment arrangements for overdue fees must be done by direct debit and all future/ongoing fees will also be by direct debit account. The arrangement will be documented in writing and families will need to make the agreed repayments.
- 4.51 In addition, the following procedure will apply:
- (a) When the balance exceeds the overdue amounts in section 4.48 – a first email reminder will be forwarded to the parent/guardian requesting payment.
  - (b) One week after the e-mail being sent – if the overdue fees remain, a formal letter is sent to families advising the place may be cancelled if the balance is not paid or payment plan is not entered within seven days. The letter will include a reminder that parents/guardians are encouraged to discuss payment difficulties with Centre Management.
  - (c) One week after the letter being sent – if no arrangements to pay have been made or kept, the child/ren's place at the Centre will be suspended and the child/ren will be deemed to have ceased care.
  - (d) The account will then be pursued for debt collection.
- 4.52 The Centre reserves the right to charge a fair and reasonable rate of interest on all overdue fees; and recover from families in full, all legal costs and disbursements incurred by the Centre to recover overdue fees. This includes engagement of a Debt Collection Agency and if required legal action through the ACT Civil and Administrative Tribunal and Magistrates Court.

### **Other Financial Matters**

- 4.53 The **Baringa Emergency Fund** is a means for enrolled and non-enrolled families and community members to provide a voluntary contribution to the Centre.
- (a) The purpose of the Baringa Emergency Fund is to increase cash reserves to be used in times of local emergency, such as but not limited to, ACT-wide public health emergencies.
  - (b) Contributions to the Emergency Fund can be made throughout the year. It is voluntary, obligation-free and go towards a consolidated pool of funds. Contributions are cannot be allocated to individual accounts.
  - (c) While Baringa is a not-for-profit community organisation and registered charity, as at April 2020, the Centre does not yet have Deductible Gift Register status. This means any voluntary contributions are not yet deductible.
  - (d) At the start of each financial year, funds collected in the **Baringa Emergency Fund** may be moved to the **Centre Improvement Fund** at the discretion of the Baringa Board. The decision to move funds is determined by the level of cash reserves at the time. Once moved to the Centre Improvement Fund, funds would go towards Baringa projects such as capital improvements, staff professional development and larger education resources for the benefit of all Baringa families and children.
  - (e) Emergency Fund payment options are outlined in [Schedule 1](#).
- 4.54 From time to time, the Centre may also provide other services to support Baringa children and families separate from, but complementary to early childhood education and care. These are optional and feedback is encouraged to ensure the Centre continues to provide the highest level of service.

### **Financial Hardship**

- 4.55 Families experiencing hardship are encouraged to discuss their situation with Centre Management.
- 4.56 Centre Management is able to provide general information and assistance about options for additional government assistance with childcare fees such as the Grandparent, Transition to Work or Temporary Financial Hardship Additional Childcare Subsidies.

## Privacy

- 4.57 Details of an individual's account and all completed forms kept by the service will be confidential and stored appropriately. Individual families may access their own account records at any time. Please refer to the 'Privacy Policy' for more information.

## 5. Related Legislation and Documents

[Regulation 168\(2\)\(n\)](#) of the Education and Care Services National Regulations

[Regulation 172](#) of the Education and Care Services National Regulations

[Child Care Services Handbook](#) (Department of Education and Training)

[Priority of Access Guidelines for Child Care Services](#) (Department of Education and Training)

[Baringa Privacy Policy](#)

Baringa Delivery & Collection of Children Policy

[Education and Care Services National Regulations](#)

[A New Tax System \(Family Assistance\) \(Administration\) Act 2000 \(Cth\)](#)

[Privacy Act 1988](#)

## 6. Feedback

- 6.1 Families and staff may provide feedback about this document by emailing [admin@baringa.org.au](mailto:admin@baringa.org.au).

## 7. Approval and Review Details

Approval and Review	Details
Approval Authority	Board of Directors
Administrator	Centre Director and Executive Officer
Next Review Date	31 December 2020

History	Details
Original Approval Authority and Date	30 July 2018: Replaced Policies 8.1, 8.2, 8.3 and 8.4 in the November 2017 edition of the policies and procedures manual. It also amends Policy 2.6 in the November 2017 edition, by deleting reference to late fees.
Amendment Authority and Date	15 February 2019: Updates to reflect requirements for 2019. 29 March 2019: Updates to s4.4, s4.7, s4.8, s4.23, 4.25-s4.26, s4.30-s4.33, s4.44-s.4.45, s6. The updates include mandatory direct debit for all enrolments and option for discounted fees for upfront payments. 20 June 2019: Updates to s4.4, s.46, s4.8, s.4.12, s4.19, s4.25, s4.26. 11 December 2019: Updates to reflect requirements for 2020. 28 April 2020: Updates to Financial Hardship and addition of New Enrolment Holding Fee and Emergency Fund. 24 June 2020: Update to New Enrolment Fee commencement, centre closures/stand-downs, overdue fees and removal of 2019-20 details.

## Schedule 1 – Fees Schedule

### Overview

- From 3 February 2020, fees are as specified below. Families will be charged the gap after eligible Child Care Subsidy (CCS).

Fees	Hours	Fees
Daily Rate	7.30am to 6.00pm	\$117
Morning Half Day Rate	7.30am to 12.45pm	\$76
Afternoon Half Day Rate	12.45pm to 6.00pm	\$76
Before/After School (Preschool Only)	7.30am to 9.00am 3.00pm to 6.00pm	\$76
Weekly Rate	7.30am to 6.00pm	\$560
Late Fee		\$15 for first 5 minutes \$5 for every 5 minutes thereafter
Association Member Fees		\$2 per family
Centre Improvement Fund Fees		\$100 per family

### Centre Improvement Fund (CIF) contributions

- During your first year of membership only, the fee will be pro-rated as set out in the following table.

Date First Joined	%	Amount
1 July to 30 September	100%	\$100.00
1 October to 31 December	80%	\$80.00
1 January to 31 March	60%	\$60.00
31 March to 30 June	40%	\$40.00

- Families who have at least one family member volunteer their time to working bees, fundraising events, chaperone at excursions or equivalent voluntary contributions will be eligible to have their CIF waived or reimbursed, at the discretion of the Centre Management.
- This refers to at least one type of voluntary contribution
  - From 1 July 2020 to 30 June 2021 for the 2020-21 CIF.

### Discounted Upfront Payments

- From January 2020, families are entitled to attract a 5% discount for upfront payment of fees of thirteen (13) weeks. The dates are listed below. Payment must be made prior to the requested due date.

2020 (13-week blocks)
3 February 2020 to 3 May 2020
4 May 2020 to 2 August 2020
3 August 2020 to 1 November 2020
2 November 2020 to 31 January 2021

### Vacations / Holiday Rates

6. From 1 July 2020:
- (a) Children enrolled five (5) days per week are entitled to a maximum of ten (10) days at holiday rates per financial year;
  - (b) Children enrolled four (4) days per week are entitled to a maximum of eight (8) days at holiday rates per financial year;
  - (c) Children enrolled three (3) days per week are entitled to a maximum of six (6) days at holiday rates per financial year;
  - (d) Children enrolled two (2) days per week are entitled to a maximum of four (4) days at holiday rates per financial year; and
  - (e) Children enrolled one (1) day per week are entitled to a maximum of two (2) days at holiday rates per financial year.

### Baringa Emergency Fund

7. The Baringa Emergency Fund is a means for enrolled and non-enrolled families and community members to provide a voluntary contribution to the Centre.
8. From 1 May 2020, contributions can be made by Electronic Funds Transfer to the following bank account:

*Name: Baringa Childcare Centre  
 BSB: 06 2911  
 Account Number: 1007 1400  
 Reference: Emergency Fund and your name\**

*\*For receipt purposes*

- (a) As this is a voluntary, contributions to the Baringa Emergency Fund are exempt from the mandatory direct debit payment method.
9. Contributions can be made as a once-off, weekly, fortnightly or monthly payment. Recommended amounts are outlined below.

<b>Amount</b>	<b>Description</b>
\$50	Covers 50% of weekly repairs and maintenance costs for the whole Centre <i>(e.g. maintenance of indoor fittings, furniture, equipment and outdoor systems)</i>
\$100	Covers 50% of weekly telecommunication costs for the whole Centre <i>(e.g. phone, internet, subscriptions, equipment and service)</i>
\$250	Covers 50% of weekly cleaning supplies for whole Centre <i>(e.g. products for daily cleans, sanitiser, change table liners, kitchen cleaning supplies, toiletries and other consumables)</i>
\$500	Covers 50% of weekly catering costs for whole Centre <i>(e.g. groceries, ingredients and supplies for morning tea, afternoon tea, lunch, including special dietary requirements)</i>