

## 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

Baringa aims to provide a quality education and care service at an affordable price to families.

The purpose of this policy is to provide families with a clear understanding of how the Board determines childcare fees, when/how fees must be paid and the consequences of non-payment.

### 3. Scope

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, which is currently \$2 per family and is added to the family's account.
- 4.2 The Board of Directors determines the annual membership fee from time to time.
- 4.3 Membership years align with the association's full financial year, currently from 1 July to 30 June.
- 4.4 The annual membership fee is charged to the family account on 1 June each year.

### Centre Improvement Fund

4.5 The Centre Improvement Fund provides for improvements to indoor and outdoor space of the Centre. The Board will determine appropriate ways to improve the Centre from time to time.

4.6 An annual payment is payable to the Centre by each family. The fee will be reviewed by the board annually. Currently the fee is \$100.00 per annum per child. 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

4.7 The Centre Improvement Fund contribution is charged to the family account on 1 June each year.

4.8 Families who have at least one family member contribute to two working bees, fundraising event or equivalent voluntary contributions from 1 March 2019 to 30 June 2020, will be eligible to have their Centre Improvement Fund reimbursed. The request must be made in writing to [admin@baringachildcare.com](mailto:admin@baringachildcare.com).

### Child Care Fees

4.9 The Board of Directors determines childcare fees from time to time, including with reference to the Centre's approved budget and periodic financial performance. This usually means that fees are increased at least once a year.

4.10 The same daily fee applies centre-wide, for all equivalent care arrangements.

4.11 The Board will provide families with a minimum of fourteen (14) days notice of any proposed fee increase.

4.12 The current fees (effective 4 February 2019) are:

Type	Hours	Fee
Weekly	7.30am to 6.00pm	\$550.00
Daily	7.30am to 6.00pm	\$115.00
Morning	7.30am to 12.45pm	\$74.50
Afternoon	12.45pm to 6.00pm	\$74.50
Late Fee	\$15.00 for the first 5 minutes \$5.00 for every 5 minutes thereafter	

4.13 Fees are paid 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 subsidy or benefit.

### **Child Collection Late Fees**

- 4.14 Whenever possible the parent/guardian should ring the service to advise they will be late to collect their child.
- 4.15 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.
- 4.16 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.
- 4.17 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**

- 4.18 Parents/guardians should contact the Centre to advise their child's inability to attend as soon as this is known. Fees will still be required on days the child would normally attend.

### **Vacations**

- 4.19 For holidays a holding fee of half your regular fee is required. Requests must be submitted to [admin@baringachildcare.com](mailto:admin@baringachildcare.com) at least 10 business days prior to the day requested. Holding fees are only available to a maximum of 10 days per financial year from 1 July 2019.

### **Public Holidays**

- 4.20 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.

### **Excursions**

- 4.21 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.

### **Christmas Stand-down**

- 4.22 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.

### **Withdrawing**

- 4.23 Two weeks' notice must be given when withdrawing a child from the Centre. The notice must be emailed to [admin@baringachildcare.com](mailto:admin@baringachildcare.com) and accepted by the Centre.

### **Fee Statements**

- 4.24 The Centre understands the importance of maintaining accurate fees statements and providing clear information to families on fees payment processes. Fee statements are available on request and through Qikkids.

### **Invoicing and payments**

- 4.25 Families are invoiced fortnightly in arrears. Fees are due seven (7) days after the invoice date. As of 6 May 2019, fees must be paid by Direct Debit. The Centre does not have on-site merchant facilities and staff are not permitted to accept cash.

### **Direct Debits**

- 4.26 Direct debit is the Centre's mandatory payment method. Direct debit is mandatory for new enrolments from 4 March 2019. Direct debit is mandatory for existing enrolments from 6 May 2019. Direct debit will be processed in arrears at a weekly or fortnightly basis depending on the families' preference. Direct debit can be set up from a bank account or credit card. Fees will be surcharged at cost, and a parent or guardian need to provide a Direct Debit Authorisation.
- 4.27 The Executive Officer 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 Executive Officer in advance if their direct debit will be declined. Notification must be sent to [admin@baringachildcare.com](mailto:admin@baringachildcare.com). The Executive Officer may place a direct debit on hold if needed, with permission from the account holder.
- 4.28 The Executive Officer 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.
- 4.29 Direct Debit systems will be periodically reviewed to evaluate their continuing effectiveness.

### **Discounted Fees**

- 4.30 Families are entitled to attract a 5% discount for upfront payment of 10 weeks of fees if payment is made by the due dates below:
- (a) Payment received by 19 April 2019 for fees from 29 April 2019 to 7 July 2019
  - (b) Payment received by 28 June 2019 for fees from 8 July 2019 to 15 September 2019
  - (c) Payment received by 6 September 2019 for fees from 16 September 2019 to 24 November 2019
  - (d) Payment received by 15 November 2019 for fees from 25 November 2019 to 2 February 2020.
- 4.31 Families wanting to take up this option must complete a Discounted Fees Request Form at least 7 days before the payment due date to provide sufficient time for the Centre to administer the process. The upfront payment amount will be the estimated gap after Child Care Subsidy (CCS).
- 4.32 If families want to pay upfront after the payment due date the full amount will be charged.
- 4.33 The Executive Officer may provide written permission for payment of upfront fees by Electronic Funds Transfer (direct deposit or direct credit) instead of direct debit to waive the surcharge fees.

### **QikKids**

- 4.34 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.

### **Child Care Subsidy**

- 4.35 It is the responsibility of parents/guardians to complete and lodge their Child Care Subsidy (CCS) application with Centrelink.

- 4.36 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.
- 4.37 All documentation pertaining to CCS will be kept according to law and shared with government authorities as legally required.
- 4.38 The Centre Director will have a working knowledge of CCS requirements and will act as the authorised contact person for CCMS. They will be trained in the implementation of CCMS reporting CCS payment procedures.
- 4.39 All families must sign a Complying Written Arrangement (CWA) agreement with Baringa Child Care Centre, confirming the agreement between Baringa and families of the permanent care arrangements and entering into a paid service agreement.
- 4.40 From 2 July 2018, all CCS recipients are subject to a minimum 5% withholding. The Centre will not require parents to make up this gap, until 30 September 2019 for the financial year ending 30 June 2019. Ditto for each successive financial year thereafter. Where a family elects to implement a higher withholding rate, the family must pay the difference weekly/fortnightly/monthly as part of the normal billing cycle.

#### **Overdue Fees**

- 4.41 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.
- 4.42 Families will be regarded as having overdue fees where their account balance exceeds \$1,200 for one child or \$2,400 for two children or more. Families with overdue fees are encouraged to discuss their situation with the Centre Director.
- 4.43 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.
- 4.44 In addition, the following procedure will apply:
- (a) When the balance exceeds the overdue amounts in section 4.42 for more than one week – a first email reminder will be forwarded to the parent/ guardian.
  - (b) One week after the e-mail being sent – 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 into within the next seven days. The letter will include a reminder that parents/guardians are encouraged to discuss payment difficulties and make suitable arrangements to pay with the nominated supervisor.
  - (c) One week after the letter being sent – if no arrangements to pay have been made or kept, the place will be cancelled.
- 4.45 The Board will be informed of families with balances that exceed the overdue amount (as per section 4.42) and where no progress is being made on rectifying the situation.
- 4.46 Families who are taking no proactive and genuine steps to pay their fees, or who persistently demonstrate failure to pay fees, should expect that their child's place at the Centre will be withdrawn and their account referred to a Debt Collection Agency.
- 4.47 The Centre reserves the right to:
- (a) charge a fair and reasonable rate of interest on all overdue fees; and

- (b) recover from families in full, all legal costs and disbursements incurred by the Centre to recover overdue fees.

### **Financial Hardship**

- 4.48 Families experiencing hardship are encouraged to discuss their situation with the Centre Director.
- 4.49 The Centre Director is able to provide information and assistance about payment options and have standing authority to negotiate payment arrangements to clear arrears within a period not exceeding six (6) weeks.
- 4.50 In an appropriate situation, the Centre Director also has standing authority to suspend payment obligations for up to four (4) weeks. Longer requests for time to pay or longer requests for suspension of payments must be approved by the Board. Suspension does not mean free childcare; the fees will still need to be paid eventually, under a payment plan.
- 4.51 The Centre Director 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**

- 4.52 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**

Families and staff may provide feedback about this document by emailing [admin@baringachildcare.com](mailto:admin@baringachildcare.com).

## 7. Approval and Review Details

<b>Approval and Review</b>	<b>Details</b>
Approval Authority	Board
Administrator	Centre Director and Executive Officer
Next Review Date	30 September 2019

<b>Approval and Amendment History</b>	<b>Details</b>
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.