

# Fees Policy

## 1. Policy

Annie Dennis Children's Centre is committed to:

- Providing responsible financial management of the centre, which includes setting fees that will result in a financially viable centre whilst keeping user fees at the lowest possible level.
- Providing a fair and manageable system for dealing with the failure to pay fees, and/or inability to pay outstanding debts.
- Maintaining confidentiality in relation to the financial circumstances of parents/guardians.
- Advising users of the centre about how the programs are funded and that they are reliant on parent fees to operate the centre.
- Providing equitable access to the funded kindergarten program for families eligible for the kindergarten fee subsidy.
- Complying with all legislative requirements.

## 2. Purpose and Scope

To provide a clear set of guidelines for the setting, payment and collection of fees, which ensures the viability of the centre and the equitable and non-discriminatory application of fees across the programs provided. This policy applies to staff, the committee and to parents/guardians whose child/ren is/are attending, or who wish to enrol a child at Annie Dennis Children's Centre.

## 3. Background and Legislation

The Department of Education and Early Childhood Development (DEECD) provides per capita funding as a contribution toward the costs of providing the four-year-old kindergarten program. In addition the Kindergarten Fee Subsidy enables eligible families to attend the four-year-old kindergarten program for no cost, or a minimal cost. There is no funding available for the pre kindergarten program.

The Department of Education, Employment and Workplace Relations (DEEWR) provides Child Care Benefit and the Child Care Rebate to families to assist with the cost of child care. The Family Assistance Office (FAO) processes families claims for Child Care Benefit and the Child care Rebate.

Income from other sources, primarily fees, is required to meet the cost of the service.

The DEECD requires that funded centres have in place, and communicate to families, a comprehensive written fees policy. The *Victorian kindergarten policy, procedures and funding criteria 2010-12, Kindergarten fee subsidy – fees policy*, outlines criteria to be covered in the policy.

## 4. Legislation

- Children's Services Regulations 2009

*Regulation 40 (1) (f) requires centres to display the fees charged in the main entrance of the centre.*

*Regulation 41 (b) requires centres to have information available on the arrangements for the payment of fees.*

## 5. Definitions

**Commonwealth Child Care Benefit (CCB) – Approved care:** Approved care is care provided by a service provider that has been approved to receive Child Care Benefit payments on behalf of eligible families. Most long day care, family day care, before and after school care are approved child care providers.

**CSR:** Children's Services Regulations 2009

**DVA Gold Card:** A Department of Veterans Affairs health card for all conditions for Australian veterans

**Fees:** A charge for a place within a program at the centre.

**Child Care Bond** A 2 week full fee charged to all childcare families to secure a childcare place that has been offered in long day care.

**Kindergarten Fee Deposit :** A charge to secure a place that has been offered in the Kindergarten program at the centre.

**Health Care Card:** A Commonwealth Government entitlement for low-income earners (incorporating the foster child Health Care Card, the ex Carer Allowance (child) Health Care Card and the low income Health Care Card). NB. This is not a Medicare card.

**Kindergarten fee subsidy:** A state government subsidy paid directly to the funded organisation to enable eligible families to attend a funded kindergarten program at no cost (or minimal cost).

**Kindergarten fee subsidy – fees policy:** An update to the *Victorian kindergarten policy, procedures and funding criteria 2010-12*. It details requirements for organisations funded to provide a kindergarten program to administer the kindergarten fee subsidy and provide access to a free kindergarten program for eligible children and families.

**Kindergarten program:** A universal early childhood educational program, funded by the state government, for children in the year prior to commencing primary school.

**Late collection charge:** A charge that may be imposed by the committee when parents/guardians are late to collect their child/ren from the centre. (Refer to the *Centre Handbook*)

**Other charges:** A charge for items not directly related to the provision of the children's program, such as sun hats.

**Pre Kindergarten:** An unfunded program for three-year-old children provided by an early childhood teacher.

**Visa 447, 451, 785 and 786:** Temporary Commonwealth Protection/Humanitarian Visas

**Bridging Visas A-F:** Asylum seekers

**Visas 200-217:** Refugee and Special Humanitarian Visas

**Voluntary parent/guardian contribution:** A voluntary payment for items not directly related to the provision of the children's program. The voluntary contribution is not a condition of attending the centre.

## 6. Fees

As part of the budget development process the committee sets fees for the programs for each year taking into consideration:

- Funding requirement to provide a minimum of 10 hours and 45 minutes per week (four-year-old program). The centre provides 12 hrs of kindergarten per week.
- Funding requirement to provide eligible concession card holders with access to 10 hours and 45 minutes per week of the funded kindergarten program at **no cost**
- Financial viability

- Fees charged by similar centres in the area
- Level of government funding, including the kindergarten fee subsidy, provided for the programs
- Availability of other income sources, for example, grants
- Capacity of parents/guardians to pay
- Reasonable expenditure, ensuring agreed program quality/standards
- Requirements of the *Kindergarten fee subsidy- Fees Policy*

The budget may be reviewed every 6 months according to the financial requirements of the centre.

## **7. Kindergarten Fee Subsidy (KFS)**

### **Application of kindergarten fee subsidy**

This subsidy is paid directly to the centre and discounted from the kindergarten fees. The *Kindergarten fees subsidy-Fees Policy* outlines requirements the centre needs to comply with. The requirements vary based on the hours the program is offered. The centre will ensure these guidelines are met.

Children attending the four year old (funded kindergarten program) are eligible for the kindergarten fee subsidy (KFS) if the parent/guardian/or the child has a:

1. Commonwealth Health Care Card
2. Commonwealth Pensioner Concession Card
3. Visa 785,786,447,451- Temporary protection/Humanitarian concern
4. Asylum seekers on Bridging Visas A-F
5. Department of Veterans' Affairs Gold Card
6. Refugee and Special Humanitarian Visas holders 200-217

Or the child:

- Is identified on the birth certificate as a triplet or quadruplet, and
- The other two or three children on the birth certificate are attending a funded kindergarten program.

**To obtain the KFS, supporting documentation must be sighted by the Director of the service prior to the start of each term. A record of the sighting will be documented on the child's file.**

The fees invoice for families eligible for the KFS will have the amount of the KFS deducted from the amount owing.

## **8. Child Care Benefit – Registered care (CCB)**

Annie Dennis Children's Centre is a registered care provider and parents/guardians can claim CCB for childcare, three and four-year-old programs, providing they meet the Family Assistance Office (FAO) work/training/study test.

CCB is paid directly to the centre to reduce the child care fees charged to families. Families are encouraged to contact the FAO to obtain Customer Reference Numbers (CRN) prior to using care. An invoice/receipt will be issued each fortnight

CCB for kindergarten fees is claimed directly by parents/guardians from the FAO and can only be claimed after fees have been paid in full. A CCB receipt will be issued by the centre at the end of each term.

Parents/guardians can access information from the FAO

## 9. Claiming CCB as Lump Sum Payments

Families wishing to claim CCB as a lump sum can contact the FAO and be allocated a Customer Reference Numbers (CRN). After the end of the financial year, families can lodge their claim with the FAO.

## 10. Claiming CCR

The Child Care Rebate entitlement is calculated as 50% of the out of pocket childcare expenses for approved child care up to an annual cap of \$7500 per child per year. Families can elect to have the payment paid weekly, fortnightly, quarterly, annually or have it paid directly to the service as a fee reduction.

## 11. Termination of a child care place

Families are required to give the centre a **minimum of three weeks notice in writing** if they wish to relinquish part or all of their enrolled hours. If families leave the service before the three week notice period has expired, Child Care Benefit (CCB) will **not** be paid for the remaining childcare days during the notice period and families will be responsible for the full fee during the notice period regardless of attendance at the service.

## 12. Building and Maintenance

ADCC is a community based, non- profit organisation. The centre does not receive any other subsidies to assist us with the running of the centre. The local council is responsible for major repairs, maintenance and /or funded building works. The centre is responsible to complete general repairs, upkeep and maintenance of the facilities or any major purchases to improve or enhance the facilities for the children, staff and families in the wider community. This may include such items as: installing air conditioners and new curtains, replacing white goods and children's furniture or improving the playgrounds around the centre. We rely on families enrolled in the centre to volunteer their time to complete some of these tasks that may take a considerable amount of time to organise and complete. To relieve the pressure on families at the centre a portion of the **daily fee, kinder session fee and kindergarten term fee** will be allocated to major repairs, purchases and or maintenance of the building and grounds outside the responsibility of the local council.

## 13. Social/Fundraising

The Social/Fundraising sub committee will organise social events for families throughout the year. Fundraising events for specific purchases for the centre will be organised on a needs basis at the discretion of the Committee of Management.

## 14. Notification of fee changes during the year

The committee of management reserves the right to review and increase the fees. Parents/guardians will be given notice 28 days in advance of any required fee increase.

## **15. Bond (Child Care)**

### ***Childcare program***

A **bond** of 2 weeks full fee is payable on acceptance of enrolment. The bond amount is charged to each family depending on their care day arrangements. When a family gives notice to leave the centre, the bond is absorbed in the final two weeks of care. If the family is in credit after they cease care, the centre will provide a refund of the remaining credit after the care has ceased.

## **16. Kindergarten (Four-year-old program)**

A **non-refundable fee deposit of \$50** is payable on acceptance of enrolment. This deposit is deducted from Term 1 fees. Families eligible for the kindergarten fee subsidy do not have to pay the deposit if supporting documentation is provided. If supporting documentation is not provided then eligible families will have their enrolment deposit refunded once supporting documentation has been sighted.

## **17. Pre Kindergarten (Three-year-old program)**

A **non refundable fee deposit of \$50** is payable on acceptance of enrolment. This deposit is deducted from Term 1 fees.

### **Children turning three during the year (if applicable)**

Children can commence the program when they have turned three; payment in full from the first day of term 1 is payable.

## **18. Invoicing, receipting and collection of fees**

Fee information will be provided to parents/guardians with the enrolment package sent prior to enrolment. Fee information provided will include:

- Fee Policy
- Fee Schedule
- Fee Payment Agreement (Appendix A)

### **Procedure for fees collection –Child Care**

- Fees will be invoiced fortnightly in arrears.
- All fees are payable from when the centre opens at the beginning of the year to the last day the centre is open at the end of the year.
- All families will receive an invoice detailing the charges for the period invoiced, absence days used, CCB and CCR calculations and payments and the amount owing (if any).
- Fees are payable when children are absent due to illness / holidays / and public holidays.
- If there is an overpayment of fees, these will be offset against further fees.

### **Procedure for fees collection -Kindergarten**

- Fees will be invoiced in four periods:
- In January of the kindergarten year, an invoice for the balance of term 1 fees will be issued to families and placed in the children's pigeon-holes. This invoice is to be paid in full at the beginning of Term 1.
- All families, including those eligible for the kindergarten fee subsidy, will receive an invoice detailing the charges for the period invoiced and the amount owing (if any).

- Invoices for terms 2, 3 and 4 will be placed in children's pigeon-holes in the last week of the previous term. Invoices are to be paid in full by the Friday of the first week of the applicable term.

### **Late enrolments**

For children enrolled after the commencement of term 1, an invoice will be issued pro-rata and the child is able to commence on payment of fees.

## **19. Method of payment**

Annie Dennis Children's Centre has a **no cash policy**. The preferred methods are:

Automatic Direct Debit

Internet Transfer

Cheque

Money Order

In order to verify fee payments ensure that your name/or your child's name is included on the direct debit/internet transfer so that we can verify the payee. Unidentified payments cannot be processed. Cheque/Money order payments or direct debit notifications are to be deposited into the designated fees box near the office door.

All fees will be collected by the office staff and receipts will be issued as outlined below.

## **20. Issue of receipts**

Receipts will be provided fortnightly for all fee payments.

Families' receipts will be placed in the children's allocated pigeon-holes or sent electronically to a nominated email address.

## **21. Procedures for late payments/debt recovery/refunds**

### ***Difficulty in paying fees***

Parents/guardians experiencing difficulties in paying fees are requested to contact the Director to arrange suitable alternative payment arrangements, such as a payment plan.

### ***Late payment/non-payment of fees procedure***

If payment of fees falls into 2 weeks of arrears and parents/guardians have not communicated the reasons for late or non-payment of fees, the following procedures will be implemented:

- Step 1: A Notice of Intention will be sent stating fees are overdue, giving 7 working days for payment. A copy of the current fees policy will be included. A copy of this letter will be kept on file. The letter will encourage the parents/guardians to contact the Director to follow a payment plan. If a payment plan is agreed upon, both parties will sign the agreed payment plan and a copy will be provided to the parents/guardians and placed on file.
- Step 2: If fees remain unpaid by the specified date or no contact has been made with the Director or parents/guardians fail to make a payment according to the agreed payment plan, the parents/guardians will receive a second and final letter. This letter states that the Committee of Management will be withdrawing your child/children's place if the outstanding amount is not paid immediately.

Step 3: If, at the committee/board's discretion, a decision is made to withdraw the child's place at the centre, the parents/guardians will be provided with 14 days' notice by registered mail.

The Director and any committee members involved will ensure the *Privacy Policy* of the centre is complied with and staff will not be involved in any stage of this process. Staff may be consulted on child's attendance rates and any other information required for the Director to fulfil their role. The Director and any other committee members involved will ensure the centre's *Privacy Policy* is complied with in relation to the family's financial/personal situation.

### **Debt recovery**

The committee reserves the right to take action to recover debts owing to the centre; this can include the engagement of debt collectors. Using a debt collector will be considered as a final option after implementation of the late payment procedures.

Where a family owes 4 weeks child care fees or one term's fees to the centre, the committee reserves the right to not allow further placements in programs until all outstanding monies are paid, or a payment plan is agreed to by both parties.

### **Refund of fees**

Refunds apply only in the following cases:

1. Up to the commencement of term 4, a full refund of the kindergarten **fee deposit** will be given to families eligible for the kindergarten fee subsidy (KFS) on sighting of the supporting documentation.
- ~~2.~~ If a family has given notice to cease their child's childcare place and they are in credit, the credit will be paid to the family after their cared has ceased.

There will be no refund of fees due to a child's short-term illness; public holidays; family holiday during operational times

## **22. Key Responsibilities and Authorities**

The committee is responsible for:

- Implementing and reviewing this policy, in consultation with the parents/guardians and staff.
- Setting fees according to the guidelines outlined in this policy.
- Complying with the centre's *Privacy Policy* in regard to any information it receives relating to the financial situation of parents/guardians and the payment/non-payment of fees.
- Notifying parents/guardians within 28 days of any changes to the arrangements for the payment of fees (CSR, regulation 42).
- Ensuring that the requirements of the *Kindergarten fee subsidy, fees policy* is complied with.

The director is responsible for:

- Informing the committee of any complaints/concerns that have been raised regarding the fees at the centre.
- Informing the committee of accounts that may have fallen into arrears and the action that has been taken to recover the debt.
- Providing a copy of the Fee Policy to all parents/guardians.
- Collecting and receipting all fees as outlined in this policy including follow up of accounts in arrears.

The parents/guardians are responsible for:

- Reading and adhering to the Fee Policy.
- Signing and complying with the Fee Payment Agreement Form (Appendix A)
- Notifying the Director if experiencing difficulties with the payment of fees.
- Providing the required documentation at the start of each term for the kindergarten fee subsidy.

### **23. Evaluation**

In order to assess whether the policy has achieved the values and purposes the committee will:

- Assess the effectiveness of the process for the collection of fees.
- Take into account feedback from staff and parents/guardians regarding the policy.
- Monitor complaints and incidents regarding the policy.
- Review the number of families experiencing financial hardship and the effectiveness of the procedures for late payment.

### **24. Related documents**

- *Victorian kindergarten policy, procedures and funding criteria 2010-12*  
[www.dhs.vic.gov.au/vkp](http://www.dhs.vic.gov.au/vkp)
- *Kindergarten fee subsidy, fees policy*
- The centre's constitution (available from the centres website [www.anniedennis.org.au](http://www.anniedennis.org.au))

**Date:** Approved by the COM 20 August 2008

**Next review date:** August 2010

**Date:** Approved by the COM 25 October 2010

**Next review date:** August 2011

**Date:** Approved by the COM 7 November 2011

**Next review date:** November 2012

## FEE PAYMENT AGREEMENT (Appendix A)

### 1. Annie Dennis Children's Centre Program (Please tick)

Kindergarten four-year-old (funded) program  Pre Kindergarten three-year-old (unfunded) kindergarten program  Long Day Care

### 2. Payment of fees

Invoices, receipts and collection of fees will be in accordance with the centre's *Fees Policy*.

### 3. Kindergarten Fee Subsidy

Please indicate if you have one of the following concessions, the number and expiry date or if your child is identified on the birth certificate as a triplet or quadruplet:

Health Care Card  Pensioner Concession Card  Visa 786/785

DVA Gold Card  No. and expiry date: \_\_\_\_\_ Triplets/Quadruplets

### 4. Fee payment contract

Name of child: \_\_\_\_\_

Parent's/guardian's name: \_\_\_\_\_

I/we acknowledge that the long day care service is partly funded by the federal government, with the balance of the funds coming from child care fees paid by parents/guardians.

I/we acknowledge that the kindergarten program (four-year-old) is partly funded by the state government, with the balance of the funds coming from kindergarten fees paid by parents/guardians.

I/we acknowledge that the pre kindergarten (three-year-old) program is not funded by the state government and that pre kindergarten fees must be paid by parents/guardians. The centre cannot operate without fees paid by parents/guardians.

I/we understand that I am only entitled to obtain the kindergarten fee subsidy while I have a current Health Care Card/Pensioner Concession Card/Visa 786/785/Department of Veterans' Affairs Gold Card or have triplets or quadruplets attending kindergarten in the same year. If my eligibility lapses, then full payment of fees is required from the beginning of the next term.

I/we agree to pay fees by the due date on the invoice.

I/we understand that a portion of the daily fee, kindergarten session fee and kindergarten term fee will be allocated to the building and maintenance of Annie Dennis Children's Centre

I/we understand that the Kindergarten term fee deposit is non-refundable.

I/we acknowledge that if fees fall into arrears the committee/board will implement the *Fees Policy* late payment of fees procedures, which could result in the cancellation of my child's place at the centre. The centre will accept a payment plan at the discretion of the committee of management.

I/we agree that if our financial circumstances change and I/we are unable to pay as agreed, we will immediately notify the Director to request alternative payment arrangements.

I/we acknowledge that I/we have received and read the centre's *Fee Policy*, which sets out the procedure for fee payment.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
(Parent/guardian)

**This following statement only applies to new families/children commencing at the centre**

I/we understand that I will be charged the full daily fee for my children on their booked days until my child commences care, if they commence care after the centre's specified reopen day in January of each year.

I/we understand CCB cannot be claimed as reduced fees or as a lump sum for that period.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
(Parent/guardian)