

PAYMENT OF FEES POLICY

NATIONAL QUALITY STANDARD (NQS)

QUALITY AREA 7: GOVERNANCE AND LEADERSHIP		
7.1	Governance	Governance supports the operation of a quality service
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 and Responsibilities	Roles and responsibilities are clearly defined, and understood and support effective decision making and operation of the service

EDUCATION AND CARE SERVICES NATIONAL REGULATIONS	
168	Education and care services must have policies and procedures

RELATED POLICIES

Arrival and Departure Policy Enrolment Policy Governance Policy	Orientation of Families Policy Privacy and Confidentiality Policy
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PURPOSE

For parents to gain a clear understanding of the Service fee structure ensuring children’s fees are paid on time and that there are consequences for failure to pay fees on time.

SCOPE

This policy applies to management and families of the Service.

IMPLEMENTATION

The fee structure of the Service includes:

Enrolment Fee & Bond Payment

- There is currently no enrolment fee or bond required for the service, however these may be introduced at a later stage.

General Fees

- Fees are charged daily and vary depending on the Child Care Subsidy (which replaced the Child Care Benefit and Child Care Rebate in 2018). The Child Care Subsidy will be paid directly to the Service.
- Basic requirements that must be satisfied for an individual to be eligible to receive Child Care Subsidy for a child include:
 1. The age of the child (must be 13 years or under and not attending secondary school),
 2. The child meeting immunisation requirements,
 3. The individual, or their partners, meeting the residency requirements.
- Families level of Child Care Subsidy will be determined by:
 1. Combined family income,
 2. Activity level of parents,
 3. Type of child care Service.
- Fees are paid in arrears of a child's attendance.
- Fees are to be paid fortnightly through a direct debit system. If families wish to pay fees on a weekly or monthly basis, it is a requirement that the family pay in advance and are not in arrears.
- Fees are payable in arrears for every day that a child is enrolled at the Service. This includes pupil free days, sick days, and family holidays but excludes periods when the Service is closed.
- Fees for family holidays where at least two weeks notice is provided, will be charged at 50% of the usual daily rate.
- Fees are charged at that booked rate only (regardless of the actual attendance hours on any day).
- Casual days may be offered to families if available within the Service's license.
- A 3% discount applies to fees for permanent bookings of 4 days a week or more.

Payment of fees

- Fees are set up using the Service's direct debit system.
- Families will be issued with a fee statement on a fortnightly basis in accordance with the fee payment and Regulatory requirements.
- A dishonour fee will apply for direct debit transactions where there are insufficient funds to cover the fees.

Financial Difficulties

- If a family is experiencing financial difficulties, a suitable payment plan may be arranged with authorisation of the approved provider.

Failure to Pay

- If a family fails to pay the required fees on time, a reminder letter will be issued after one week and then again after two weeks if the fees are still outstanding. A child's position will be terminated if payment has not been made after three weeks, for which the family will receive a final letter terminating the child's position. At this time the Service will initiate its debt collection process, following privacy and conditional requirements.

Late Fees

- Our Service is not licensed or insured to have children on the premises after hours. This is a breach in the Education and Care Regulations.
- It is unacceptable to pick children up late from the Service. A late fee will apply where children are not picked up prior to closing time. Currently, a fee of \$20.00 per 15 minutes block or part thereof will be incurred by the family.
- A review of the child's enrolment will occur where families are consistently late with fee payment.

Change of Fees

- Fees are subject to change at any time provided a minimum of four weeks written notice is given to all families.

Termination of Enrolment

- Parents are to provide two weeks written notice of their intention to withdraw a child from the centre.
- If termination from the Service is required without notification, families can lose their Child Care Subsidy, resulting in the payment of requirement for full fees to be charged.

Responsibility of Management

- The Service Coordinator is responsible for the billing and chasing of fees.
- Should families wish to discuss fees, they will need to see the Service Coordinator.

Source

Kearns, K. (2017). *The Business of Childcare* (4th Ed.).

Guide to the National Quality Standard. (2017).

Revised National Quality Standard. (2018).

DOCUMENT CONTROLS:

MALLEE KIDS CHILD CARE POLICY	
Reference Number	ELM6
Version	V2.0
Responsible Officer	General Manager Corporate & Community
Date Adopted	October 2019
Review Date	September 2020

Author (to whom changes are to be recommended)			
Position	Incumbent		
Chief Executive Officer	Matthew Morgan		
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Position	Incumbent		
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Position	Incumbent	Review Date	
General Manager Corporate & Community	Katrina Fromm	October 2019	
Service Coordinator	Nat Koch	October 2019	
Approved by			
Position	Incumbent	Approval Date	
CEO	Matthew Morgan	September 2019	
History			
Date	Author	Revision	Nature of Change
Sep 2019	Matthew Morgan		New Policy Created
Oct 2019	Matthew Morgan	2.0	Changed to reflect payment in arrears. Added of 50% reduction for notified family holidays. Added of 3% discount for permanent bookings.
Publication			
This is a policy of the District Council of Karoonda East Murray for the operation of the Mallee Kids Child Care service and will be available for inspection at Mallee Kids Child Care at 12 North Terrace, Karoonda or via the service website, www.malleekids.com.au .			

Outstanding Fee – First Reminder

<Insert date>

<Insert name>

<Insert address>

RE: OUTSTANDING ACCOUNT

Dear <Insert name>,

This is a reminder that your account balance of \$<Insert Amount> was overdue as of <Insert Date>. Enclosed is a statement of account for your reference.

Please arrange payment of this account today or, if you cannot make full payment at this time, please contact us to make a payment arrangement that is mutually acceptable.

Your prompt attention to this matter would be greatly appreciated. If you have any queries regarding this account, please contact our office as soon as possible.

If payment has recently been made, please accept our thanks and ignore this reminder.

Regards,

<Insert name>

<Insert position>

Outstanding Fee – Second Reminder

<Insert date>

<Insert name>

<Insert address>

RE: SECOND REMINDER - OUTSTANDING ACCOUNT

Dear <Insert name>,

We wrote to you recently reminding you of the outstanding amount of \$<Insert amount> for Invoice number/s <Insert invoice number/s>, but it appears to remain unpaid.

If you have any queries regarding its payment or if we can help you in any way please call. If not, please organise for settlement of this account immediately.

If payment has recently been made, please accept our thanks and ignore this reminder.

Regards

<Insert name>

<Insert position>

Outstanding Fee – Final Reminder

<Insert date>

<Insert name>

<Insert address>

RE: FINAL REMINDER - OUTSTANDING ACCOUNT

Dear <Insert name>,

We have recently sent you a number of letters to remind you that the balance of \$<Insert amount> was overdue.

We ask again that if you have any queries or are not able to make full payment immediately to please contact us.

If neither of the above applies to your situation please organise for the settlement of the remaining balance by <Insert due date>.

Payment of your account has now well exceeded our normal credit facility: Should your fees remain unpaid by the advised date your position at our Service will be terminated and your account transferred to our Debt Collection Agency, who will implement strategies to recover the debt owed to the Service.

Regards

<Insert name>

<Insert position>