

## 10.4 Fee Policy

### 1. Purpose

My Place Family Day Care (FDC) is committed to establishing consistent fee charging practices for all Educators and families within the communities in which we operate, while strictly adhering to all legislative requirements.

While Educators are deemed to be independent contractors, My Place FDC is responsible for over-seeing and approving each Educator's charging practices.

### 2. Scope

This policy applies to all Parents/Guardians, Educators, all staff of My Place FDC and relevant staff and Directors of Inala Community House. For the purposes of this policy, all staff of My Place FDC and relevant staff and Directors of Inala Community House shall be referred to as workers.

### 3. Definition

**Approved Provider:** Inala Community House (ICH) has approval from the Federal Government to operate an approved FDC service.

**Service:** My Place Family Day Care, whose Approved Provider is Inala Community House.

**Nominated Supervisor:** Refers to the persons responsible for the day-to-day management of an approved centre/service. Nominated supervisors have a range of responsibilities under the National Law and National Regulations.

**Parent/Guardian:** the person responsible for the payment of fees and who is paid the Child Care Subsidy. Herein after referred to as Parents.

**CCS:** Child Care Subsidy is paid by the Federal Government. Its purpose is to assist families with the cost of childcare.

**Centrelink:** The Federal Government department which is responsible for the approval and calculation of CCS.

**Payment Advice:** Information from Centrelink via My Place FDC to the Educator regarding the breakdown of payments.

**Statement of Entitlement:** Information from Centrelink via My Place FDC to the Parent/Guardian regarding the breakdown of payments and hours of usage.

**CSF:** Child Service Fee is payable by parents to My Place Family Day Care and assists with the running of the Service.

**Redbourne:** The 3rd Party Software Provider of My Place FDC whose software package (Harmony) allows the Service to claim subsidies from the Federal Government.

**Harmony:** The software package used by My Place FDC.

**PIN:** Personal identification number or electronic signature.

**Intended Care:** Hours related to the parent's needs.

## 4. Policy

My Place FDC administers the Child Care Subsidy in accordance with the guidelines set out in the Child Care Provider Handbook and under Family Assistance Law.

### Child Care Subsidy

Prior to receiving Child Care Subsidy (CCS) a child must be successfully enrolled with My Place FDC by their parents. When completing this process, it is essential that information which is true and complete is provided. Incorrect or missing information may result in the delay of CCS being applied by Centrelink and the parent being charged full fees.

Neither the Educator or the Service are directly responsible for determining a child's eligibility for Child Care Subsidy (CCS) or the calculation of a parent's CCS entitlements. This is done through Centrelink and parents must deal with them directly to resolve any issues which may arise relating to this. Both My Place FDC and the Educator are unable to contact Centrelink on a parent's behalf due to privacy reasons.

The CCS received will not be sufficient to completely cover a parent's childcare fees and an amount will be left outstanding. This outstanding amount is referred to as the Gap Fee and must be paid by parents as their co-contribution to their childcare fees. Parents must make this payment directly to their Educator by electronic transfer.

### Educator Fee Setting

My Place FDC supports Educators in implementing independent fees within the parameters set by the Service. Where an Educator is proposing to charge outside of these parameters, this needs to be discussed with and approved by a Nominated Supervisor.

Prior to a child commencing care, Educators must provide parents with a current fee schedule which details all charges and conditions. My Place FDC does not permit the charging of a bond to parents.

When determining their fees, individual educators must ensure they are equitable. The fee that the Educator is wanting to charge must be consistent across all families who they will be providing the same type of service. Private arrangements regarding fees or childcare are not supported by the Service.

Educators are free to choose when and how often they wish to adjust their fees, however prior to an adjustment taking effect, the Educator must have received approval from the Service and provided at least 28 working days' notice of any change to both the Service and parents.

### **Roll of the Service**

The Service is responsible for ensuring all gap fees are collected electronically and that processes are in place to ensure that this is occurring for each parent. It is also a requirement that evidence can be provided to demonstrate that this is occurring.

To help meet this requirement, the Service's processes will include an auditing component, where evidence that all gap fees are being collected electronically will be gathered. Any outcomes derived from these auditing processes or evidence gathered, may be shared with relevant authorities.

#### **4.1 Payment of Fees**

A parent's total fee is calculated using the Educator's Fee Schedule which includes the CSF. Centrelink are responsible for determining the amount of CCS that each parent is entitled to receive and this amount is paid directly to the Service.

It is important to note that Centrelink will not take early drop off/late pick up fees and late Payment fees into consideration when determining how much subsidy should be paid. They have determined that these types of payments are not eligible for CCS.

Once the CCS has been received by the Service, the amount received is passed on directly to the Educator, less any applicable CSF. The difference between a parent's total fee and the amount of subsidy received is referred to as the gap fee.

It is the Educator's responsibility to check their payment advice weekly and invoice the parent the gap fee displayed. Any irregularities should immediately be discussed with the My Place FDC Administration team.

Parents must promptly pay the gap fee to their Educator, either on a weekly basis or as otherwise agreed with the Educator. It is a requirement that all payments made are electronic and that evidence of these payments is maintained and can be made available upon request by the Service or another relevant authority.

If Parent fees are in arrears to the Educator, the Educator and/or Service may choose to cancel care **WITHOUT NOTICE**. Where care is cancelled under these circumstances by the Educator, it is their responsibility to notify the Service as soon as possible. The Educator will also be responsible for notifying the parents that care has ceased.

In addition to cancelling care, further steps to recoup the outstanding fees will be taken by the Educator and the Service. My Place FDC reserves the right to refuse care being used with any other My Place FDC Educator until the debt is cleared.

## 4.2 Contracted Hours

Contracted hours, commonly referred to as bookings, represent the agreed hours of care between an Educator and a parent. In accordance with Government requirements, the hours outlined within a booking must always be consistent with a parent's used hours of intended care. Bookings are divided into three distinct categories which are under school age, school term and vacation care.

An under school-age children's booking is ongoing (including public holidays) and is effective from the time it is created up until a change is required or care is ceased.

A school term children's booking in many ways is similar to under-school age booking in that it is typically ongoing (including public holidays) and once in place it is effective up until a change is required or care is ceased. However, a school term booking is only intended to cover the four (4) school terms and not the vacation periods in between.

Parents of school age children are under no obligation to book during vacation times however, where a parent does require a booking during these times, a separate vacation care booking should be made.

A key distinction between vacation care and school term bookings is that parents are able to outline and commit to the specific days that they require, providing that the Educator is agreeable to the booking. It is important to note though that once a vacation care booking has been made, all days booked must be paid for whether the child attends care or not. This includes public holidays, so parents should take this into consideration prior to a booking being made.

Where there is a change required to a child's booking, a minimum of two weeks' notice is required by both parents and Educators. This can be waived though where both parties agree or at the services discretion.

In situations where there is no set booking, this is classified as a casual arrangement and under these circumstances' fees are only required to be paid for care actually used and there is no requirement for notice to be provided. Both Educators and parents should be mindful of these factors prior to proceeding with a casual booking.

### 4.3 Absences

When a child is absent from care on a contracted day (whether the reason be sickness or holidays), the Educator must be notified, and normal fees will apply.

CCS is paid on up to 42 absent days per financial year, including public holidays, sick days, family vacations, etc. Once a child has exceeded 42 funded absence days in the financial year, if no supporting documentation is provided for the absent day, no CCS will be applied resulting in the parent being charged full fees.

Supporting documentation which can be provided includes:

- Illness – a medical certificate for the child or any relative living in the child's household
- Rostered days off (RDO) or rotating shift – a written statement by the employer on company letterhead
- Periods of local emergency – a statutory declaration signed by the Parent unless the local emergency is recognised by Government
- Court ordered shared custody – a copy of the relevant legal documents

Where a child does not attend any session of care with My Place FDC within a period of 14 weeks or more, Centrelink takes the enrolment to have ceased and CCS will not be applied until the child is re-enrolled.

If a child is going on a holiday that is 14 weeks or longer, an exit form must be submitted to the Service and fees **CANNOT** be charged by the Educator. The same process applies to children who only use vacation care.

#### **First/Last day of care absences**

In some instances, CCS can be applied for up to 7 absence days:

- Before a child attends their first day of care
- After the last day a child physically attended care

To use absences for this, the child must be enrolled in care and not be able to attend for an approved reason.

Approved reasons include:

- The child, parent, or someone residing in the child's home is unwell
- The child's enrolment ceased incorrectly
- A family tragedy
- Any of the other approved reasons in the section above

Supporting documentation is required for all first and last day of care absences.

## **Holidays and Extended Leave**

### ***Educators***

Educators cannot charge a parent while they are on leave or not working due to illness, therefore no timesheets can be submitted for that period of time.

Educators can charge for a public holiday if:

- They work the day before OR the day after; and
- The child has a regular booking for that day OR where the parent has made an extra booking for that day

Where an Educator is eligible to charge for a public holiday and no care is required, fees as per the booking will still apply. Where care is provided on a public holiday, the Educator is entitled to charge their public holiday rate.

The Educator is not obliged to work on a public holiday but is still however entitled to receive payment. In the event of a redirect being needed, the parent will be liable to pay full fees to the alternate Educator.

### ***Parents***

Holiday charges to parents are as per the Educator's fee schedule. If fees are not paid, the continuation of the child's placement is not guaranteed. Fees must be paid in advance of holiday absences, or an arrangement must be agreed upon by the parent and Educator.

Any changes to hours due to parental leave must be negotiated and agreed between the Educator and parents. The Educator is under no obligation to agree to lesser hours.

## **4.4 Cancellation of Care**

Cancellation of care by any party requires two weeks' notice. Where notice is provided by a party other than My Place FDC, the party providing the notice is responsible for advising the Service. Exceptions to this requirement are where care is cancelled immediately without notice due to a parent allowing their fees to be in arrears.

My Place FDC reserves the right to override the standard procedure of providing two weeks' notice in situations where enforcing a notice period is deemed to not be in the best interests of all stakeholders.

Where care is cancelled, for CCS to be applied, the child must physically attend care on the last day.

#### 4.5 Child Service Fee

CSF is payable by parents to My Place FDC and will be deducted from any CCS received by ICH on a weekly basis prior to it being passed on to the Educator.

Any changes to the CSF will be notified in writing at least 28 days prior to the change.

#### 4.6 Electronic Timesheets

Unique PIN numbers are issued to parents at the time of enrolment by My Place FDC Administration. The service will rely on the PIN authorisation as proof of identity, consent as to a service being provided and agreement to pay any appropriate fees to the provision of the service, in full and without reservation.

My Place FDC must be contacted immediately regarding any dispute in relation to the use of a PIN.

**AT NO TIME SHOULD ANY STAKEHOLDER USE OR HAVE ACCESS TO ANOTHER PERSON'S PIN.**

#### 4.7 Debt Recovery

My Place FDC works in conjunction with Educators to recover any debt incurred by parents.

All additional fees incurred throughout the process of recovering a debt shall be passed on to the relevant parent.

### 5. Review

This policy remains in effect unless otherwise determined by resolution of the Board of Directors.

This policy will be reviewed every two years or sooner as required.

|      | <b>Date</b> | <b>Details</b>                                       |
|------|-------------|--|
| V1.0 | 07/2015     | Original Policy Issued                               |
| V2.0 | 09/2015     | Policy Amended – submitted to board for ratification |
| V3.0 | 08/2016     | Policy Amended – submitted to board for ratification |
| V4.0 | 11/2017     | Policy Amended – submitted to board for ratification |
| V5.0 | 01/2018     | Policy Amended – submitted to board for ratification |
| V6.0 | 12/2019     | Policy Amended – submitted to board for ratification |
| V7.0 | 15/01/2021  | Policy Amended – submitted to board for ratification |
| V8.0 | 6/11/2023   | Policy Amended – submitted to board for ratification |

## 6. Related Documents

### **Policies**

9.1 Enrolment and Orientation Policy

10.1 Governance and Management Policy

### **Procedure**

9.2 Enrolment and Orientation Procedure

10.8 Fee Procedure

### **Forms**

Child Enrolment

Contracted Hours/Harmony Web Booking Change Request

My Place FDC Fee Schedule

My Place FDC Parent Fee Schedule

Gap Fee Declaration

### **References**

Australian Government, Department of Education, Child Care Services Handbook

Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017

Education and Care Services National Law 2010

Family Law Act (parenting order) 1975 [S,64B (1); S63C(I)]

A New Tax System (Family Assistance) (Administration) Act 1999: [No. 81]

Education and Care Services National Regulations 2011 (July 2019):

- R.158 Children's attendance record to be kept by approved provider
- R.159 Children's attendance records to be kept by family day care educator
- R.160 Child enrolment records to be kept by approved provider and family day care educator