

## Fees, Statements & Parent Gap Fee Payment Procedure

### 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. This procedure helps to ensure families understand the fee schedules and payment process required for education and care to be provided for their child.

This procedure also demonstrates our commitment to strictly adhering to all legislative requirements and how we maintain financial integrity and comply with all Child Care Subsidy legislative requirements. My Place FDC has established compliance systems to ensure childcare funding is administered appropriately and our approved educators adhere to their responsibilities as 'fit and proper persons' under Family Assistance Law.

### 2. Scope

This procedure applies to My Place FDC Nominated Supervisors, Coordinators, other staff, Educators, Educator Assistants, parents/guardians and children.

### 3. Definitions

**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. Referred to as the Parent/s.

**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.

**redPAY:** Software used to administer the child care subsidy to families accounts, including invoicing and receipting of child care fees.

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

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

**ACCS:** Refers to Additional Child Care Subsidy that provides extra help with the cost of early childhood education and care to families facing difficult or challenging circumstances. ACCS will usually cover all of a child's early childhood education and care fees.

## 4. Procedure

Under the *Education and Care Services National Law and Regulations*, penalties may apply to Approved Providers and FDC Educators in relation to:

- Offence relating to requirement to keep enrolment and other documents (section 175 of the Law)
- Children's record of attendance is completed correctly each time the child arrives or departs (Regulation 158)
- Children's attendance record to be kept by family day care educator (Regulation 159)
- Prescribed enrolment and other documents to be kept by approved provider (regulation 177)
- Confidentiality of records kept by approved provider (regulation 181).

**Penalties for breaching these regulatory requirements may be as high as \$22,900.**

### 4.1. Fee Structure

When enrolling, families will be provided with a fee schedule for each session of care for individual Educators. Educator fees may vary due to educator qualifications, location, hours of care provided including casual and permanent fees, overnight fees, weekend rates and the age of the child.

Parents/guardians are required to negotiate and book the hours of care that they need with the Educator and Service (refer 6.3 Bookings and Cancellations Policy). These are referred to as contracted hours. Fees are charged as per the contracted hours and must be paid in advance of a child's attendance. Families will be liable for the full fee payment until their CCS is approved through Centrelink.

Each parent's pre-subsidy charges will be calculated based on a timesheet prepared by the Educator, authorised by the parent/guardian and then submitted to ICH administration. These timesheets are prepared electronically and will require the

parent to authorise it using their unique PIN number signature. It is important to note that early drop off and late pick up fees are not eligible for CCS and are charged over and above the regular session charges.

### *Educator Fee Setting*

My Place FDC supports Educators in implementing independent fees within the parameters set by the Service. When determining their fees, It is the responsibility of the Educator to justify the fees charged ensuring they are equitable and consistent across all families who they will be providing the same type of service.

In setting fees, Educators will consider both the timing and frequency of fee rises to avoid the perception that the fee is often raised. All adjustments to fees charged must be approved by the Coordination Team and parents/guardians and the service must be provided with 28 days' notice before any changes can occur.

The Service will not enter into discussions with parents/guardians relating to the value of an individual service of an Educator compared to other Educators' services as related to fee charging practices.

### *Child Service Fee (CSF)*

The CSF is payable by parents/guardians 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.

### *Additional Fees*

My Place FDC supports Educators with setting additional fees relevant to their service although some may not be eligible for inclusion in the CCS subsidy claim. Additional fees may include early drop off, late collection, food, nappies and transport. All additional fees are to be detailed on the Educator's fee schedule.

### *Electronic Payment Fees and Charges*

A variety of fees and charges are levied by the third party CCMS Software direct debit system (redPAY) depending on the electronic payment method. Details of the fees and charges are provided to families as part of the enrolment information.

### *Adjustments/Changes to Fees*

Educator fees are subject to change at any time provided a minimum of 28 days written notice is given to all families.

CCS hourly rate caps may be increased by the CPI at the commencement of each financial year. Any CCS hourly rate increases are governed by CCS and are automatically adjusted through our CCS Software.

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

## 4.2. Child Care Subsidy (CCS)

My Place FDC will provide relevant CCS information to support families to navigate the system and the relevant requirements for receiving entitlements. Notwithstanding the service's intent to provide information, it remains the responsibility of parents/guardians to be informed around their entitlements. Families may not receive CCS payment where:

- Allowable absences have been exhausted (although may be entitled to additional absences, subject to evidence)
- Session hours for the CCS fortnight have been exhausted
- An absence has been recorded for the child's first day of attendance or the child's last day of physically attending the service.

Neither the Educator or the Service are directly responsible for determining a child's eligibility for CCS or the calculation of a parent's CCS entitlements. This is done through Centrelink and parents/guardians 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.

Families must regularly check their details are correct and report a change in circumstance to Centrelink (family income, activity levels, relationship changes or any other changes to their circumstances).

Any disputes with CCS payments are the responsibility of the parent/guardian who will be referred to contact Centrelink directly for any enquiries regarding CCS payments.

## 4.3. Absences from Family Day Care Service

Families are requested to contact their FDC Educator if their child is unable to attend a particular session. Families must still pay the Gap Fee to the Service if their child is unable to attend.

Under the CCS, families are allowed 42 absence days per child, per financial year. Allowable absences can be taken for any reason, including public holidays and when children are sick. Families do not have to provide evidence.

If a child has used all of their 42 absences, the family needs to provide a medical certificate. Families can view their allowable absence count through their Centrelink online account via myGov.

In a period of local emergency, such as bushfire or pandemic, and the My Place FDC Service is temporarily shut down on public health advice, families may be provided with additional absence days as per Family Assistance Law legislation. If the My Place FDC Service is forced to close as a result of a public health directive, at the Approved Provider's discretion, gap fees may be waived in line with Family Assistance Law guidelines.

In accordance with Family Assistance Law, Educators cannot charge for or record a session of care where provision of care is not available. Educators are not able to charge a different rate for the same type of care provision. Therefore, if the Educator is unable to provide care due to illness or leave, they are unable to charge for that particular session of care.

As per the Child Care Provider Handbook, “where a child does not attend a service within a period of 14 weeks or more, the enrolment will be taken to have ended”. This means that if the child is going on a holiday that is longer than 14 weeks, an exit form must be submitted to the Service and fees CANNOT be charged by the Educator. If the child requires care with the Service on their return from holidays, a new enrolment form must be completed. Every effort will be made to secure a new placement; however, this cannot be guaranteed.

If the holiday period for the child is less than 8 weeks, the Parent/Guardian may choose to cease care so that no fees apply, however the placement will not be kept open for the child’s return. If the Parent/Guardian wishes for the placement to be held, timesheets for the absences must be signed prior to the holiday period and fees will apply.

#### 4.4. Calculation of Fees

Fees are payable for every session that a child is enrolled at the FDC Service. This includes pupil free days, sick days, and family holidays but excludes periods when the Educator is closed or unavailable to provide care.

Educators submit their time sheets for weekly processing by 10am each Monday. A parent’s total fee is calculated using the completed attendance record and the Educators fee schedule which already 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 My Place FDC. The difference between a parent’s total fee and the amount of subsidy received is referred to as the gap fee.

Once the CCS has been received by the Service and applied to the families account, the amount received is passed on directly to the Educator, less all applicable fees including but not limited to Educator Service Levy, Harmony payment and Child Service Fees. All applicable fees are deducted as per the Educator’s Service Agreement

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.

If a session of care falls on a public holiday, families are required to pay normal fees if the Educator is available to work. If the Educator is unavailable to work, then families do not pay for that day. If parents need care on public holidays and the Educator is available for work, fees charged will be at the Educator’s public holiday rate. CCS will be paid for sessions that fall on public holidays.

Any irregularities should immediately be discussed with the My Place FDC Administration team.

### *Electronic Timesheets & PIN numbers*

Unique PIN numbers are issued to parents/guardians at the time of enrolment by My Place FDC Administration Team. 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.**

### 4.5. Issuing of Statements

A Statement of Entitlement will be issued via email each week for all families showing the attendance and charges details for the statement period that has just occurred. The Statement of Entitlement is generated using our CCS Software (Harmony) which meets all requirements as per Family Assistance Law legislation. CCS is paid directly to My Place FDC, and this is used as a fee reduction, which is visible on a family’s statement.

The Statement of Entitlement will include details of:

<b>Sessions of care</b>	<ul style="list-style-type: none"> <li>• Daily and weekly totals of the number of hours of care provided during the statement period, including start and end times for each session of care.</li> <li>• Daily and weekly totals of the number of physical attendances during the statement period, including start and end times of the physical attendance.</li> <li>• The sum of allowable and additional absences for the statement period</li> <li>• The sum of allowable and additional absences cumulatively for the financial year.</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>• Hourly session fee for each session of care in the statement period.</li> <li>• Daily and weekly totals of the amount of all fees charged during the statement period.</li> <li>• Details about any discounts or refunds applied.</li> </ul>
<b>Fee reduction amounts</b>	<ul style="list-style-type: none"> <li>• Hourly session fee for each session of care in the statement period.</li> <li>• Daily and weekly totals of the amount of all fees charged during the statement period.</li> <li>• Details about any discounts or refunds applied.</li> </ul>

## 4.6. Payment of fees

Parents/guardians must pay the Gap Fee to the service on a weekly basis. Accepted payment method for Gap Fees is Electronic funds Transfer (EFT) via direct debit using My Place FDC Service's direct debit system Harmony redPAY. The family is required to provide banking details to facilitate set up of the direct debit account as part of the enrolment process. Evidence of these payments must be maintained for the required period and made available on request by the Regulatory Authority.

My Place FDC will reconcile payments made by families within the CCMS Software to ensure families pay the gap fee for each session. The receipt of all Gap Fee payments will be set out in the statement of fees emailed to parents from the service.

### *Financial hardship*

If a family is experiencing financial difficulties, a suitable payment plan may be arranged with authorisation of My Place FDC Coordination Team.

Families can also apply for Additional Child Care Subsidy (ACCS) through Centrelink if they are experiencing temporary financial hardship.

### *Overdue fees – debt recovery*

If a weekly direct debit payment fails for any reason, Harmony redPAY will process the payment again the following week along with any additional fees owing from that current week. If the direct debit payment fails for a second time, My Place FDC will suspend the child/ren's care WITHOUT NOTICE, and the Educator will be notified immediately.

The family will be notified by the Service in writing, suspending the child's position until the outstanding amount is paid. Where no contact or payment plan arrangements are noted within three weeks of suspension of the child's care, the child's enrolment with My Place FDC will be terminated.

My Place FDC reserves the right to refuse care provided by any other My Place FDC Educator until the debt is cleared, unless families enter into a payment plan with My Place FDC to repay outstanding fees.

If a family account remains unpaid after care has been suspended, families will be required to enter into a payment plan for care to continue. In determining the details of any payment plan the Coordination Team will consider:

- The duration and amount of the repayments needed to clear the outstanding arrears
- Late fees and other accumulating fees during the payment plan period,
- Care arrangements and any required modifications, i.e., drop days for an agreed period
- Negotiated payment schedule terms and conditions
- Action to be taken if the repayment plan is not adhered to.

A payment plan will be provided for the family to sign. Payment plans agreed to but not met will result in care being suspended until paid in full. Where payment of fees continues to not be received within the agreed payment plan timeframe, the debt may be referred to an external third party debt collection agency for further actions. Any fees and charges included by the third party debt collection service will be the parent account holders responsibility.

## 5. Review

This policy shall be reviewed at a minimum every two years in conjunction with the policy.

## 6. Related Documents

Please refer to the Fees, Statements & Parent Gap Fee Payment Policy for all related legislation, policies and procedures, forms.

Policy 7.2 Fees, Statements and Parent Gap Fee Payments			
Revision Register	Date of Last Update	Date Ratified and endorsed by board	Amendments
Revision 01	12/2024		New policy combined previous 10.4 Fees policy, 10.8 Fee procedures Updated format and enhanced procedures