

FEES POLICY

Mandatory – Quality Area 7

Flemington Childcare Co-operative acknowledges the contribution of Early Learning Association Australia, in the development of this policy.

PURPOSE

This policy will provide clear guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Flemington Childcare Co-operative, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Flemington Childcare Co-operative.

POLICY STATEMENT

1. VALUES

Flemington Childcare Co-operative is committed to:

- providing responsible financial management of the service, including establishing fees that will result in a financially viable service, while keeping user fees at the lowest possible level
- providing a fair and manageable system for dealing with non-payment and/or inability to pay fees/outstanding debts
- ensuring there are no financial barriers for families wishing to access an early childhood program for their child/children
- maintaining confidentiality in relation to the financial circumstances of parents/guardians
- advising users of the service about program funding, including government support and fees to be paid by parents/guardians
- providing equitable access for families eligible for the Kindergarten Fee Subsidy.

2. SCOPE

This policy applies to the Approved Provider, Nominated Supervisor, Certified Supervisor, educators and parents/guardians with an enrolled child, or who wish to enrol a child at Flemington Childcare Co-operative.

3. BACKGROUND AND LEGISLATION

Background

The Department of Education and Training (DET) provides per capita funding as a contribution towards the costs of the four-year-old kindergarten program. Income from other sources, primarily fees, is required to meet all the additional costs incurred by the service in the delivery of the children's program. In addition, the Kindergarten Fee Subsidy (refer to *Definitions*) enables eligible families to attend the four-year-old kindergarten program at minimal or no cost.

DET also funds eligible three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs as outlined in *The Kindergarten Guide* (refer to *Sources*).

DET requires that funded services have a comprehensive written fees policy in place, and the content of this policy must be communicated to families. The policy must include a written statement about the fees to be charged, as required under Regulation 168(2)(n), and the payment process. All families

must be informed of applicable term and annual fees at the time of enrolment. Services must also advise eligible families of the Kindergarten Fee Subsidy arrangements. The fees charged must comply with the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*), and be responsive to the local community and the viability of the service. *The Kindergarten Guide* (refer to *Sources*) outlines the criteria to be covered in the policy.

Legislation and standards

Relevant legislation and standards include but are not limited to:

- *Charter of Human Rights and Responsibilities 2006* (Vic)
- *Child Wellbeing and Safety Act 2005* (Vic)
- *Disability Discrimination Act 1992* (Cth)
- *Education and Care Services National Law Act 2010*
- *Education and Care Services National Regulations 2011*: Regulation 168(2)(n)
- *Equal Opportunity Act 1995* (Vic)
- *National Quality Standard*, Quality Area 7: Leadership and Service Management
 - Standard 7.3: Administrative systems enable the effective management of a quality service

The most current amendments to listed legislation can be found at:

- Victorian Legislation – Victorian Law Today: <http://www.legislation.vic.gov.au/>
- Commonwealth Legislation – ComLaw: <http://www.comlaw.gov.au/>

4. DEFINITIONS

The terms defined in this section relate specifically to this policy. For commonly used terms e.g. Approved Provider, Nominated Supervisor, Regulatory Authority etc. refer to the *General Definitions* section of this manual.

Approved care: Care given by a service provider that has been approved by the Family Assistance Office to receive Child Care Benefit payments on behalf of eligible families. Most long day care, family day care, before-and-after school care, vacation care, some occasional care and some in-home care childcare services are approved providers. Details are available at:

www.humanservices.gov.au/customer/services/centrelink/child-care-benefit

Child Care Benefit (CCB): A Commonwealth Government payment to help families who use either approved or registered childcare services. All eligible families can receive some Child Care Benefit. Details are available at: www.humanservices.gov.au/customer/services/centrelink/child-care-benefit

Early Start Kindergarten: A funding program that enables three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection to attend a kindergarten program that is planned and delivered by an early childhood teacher for a specific number of hours. Details are available at: <http://www.education.vic.gov.au/about/programs/learningdev/Pages/default.aspx>

Enrolment application fee: A payment to cover administrative costs associated with the processing of a child's enrolment application for a place in a program at the service.

Excursion/service event charge: An additional charge required to meet the cost of special events or excursions that occur in response to emerging children's program needs. Events that are planned ahead and are included as an expenditure item in the service's budget do not incur this additional charge (refer to *Excursions and Service Events Policy*).

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

Health Care Card: A Commonwealth Government entitlement providing concessions for low-income earners and other eligible people. Details are available at: www.humanservices.gov.au/customer/services/centrelink/health-care-card

Kindergarten fee deposit: A charge to secure a place that has been offered in a program at the service. This is deducted from term fees.

Kindergarten Fee Subsidy (KFS): A state government subsidy paid directly to the funded service to enable eligible families to attend a funded kindergarten program at no cost (or minimal cost) to promote participation. Details, eligibility requirements and a calculator, are available in *The Kindergarten Guide* (refer to Sources).

Kindergarten Fee Subsidy – Fees Policy: Provides operational guidelines for services administering the Kindergarten Fee Subsidy and can be found in *The Kindergarten Guide* (refer to Sources).

Late collection charge: A charge that may be imposed by the Approved Provider when parents/guardians are late to collect their child/children from the program (refer to Attachment 1 – Fee information for families).

Registered care: Care provided by nannies, grandparents, relatives or friends, individuals working within kindergartens, occasional care services and outside school hours care services that are registered with the Family Assistance Office. Eligible families can receive some reimbursement of costs when using a registered care provider. Details are available at:

www.humanservices.gov.au/customer/services/centrelink/child-care-benefit

Voluntary parent/guardian contribution: A voluntary payment for items not directly related to the provision of the children’s program. Attendance at the service is not conditional on this payment.

5. SOURCES AND RELATED POLICIES

Sources

- *The Kindergarten Guide* (Department of Education and Early Childhood Development) is available under *early childhood / service providers on the DET website*: www.education.vic.gov.au
- The constitution of Flemington Childcare Co-operative

Service policies

- *Complaints and Grievances Policy*
- *Delivery and Collection of Children Policy*
- *Enrolment and Orientation Policy*
- *Excursions and Service Events Policy*
- *Inclusion and Equity Policy*
- *Privacy and Confidentiality Policy*

PROCEDURES

The Approved Provider is responsible for:

- reviewing the current budget to determine fee income requirements
- developing a fee policy that balances the parent’s/guardian’s capacity to pay, with providing a high-quality program and maintaining service viability
- implementing and reviewing this policy in consultation with parents/guardians, the Nominated Supervisor and staff, and in line with the requirements of DET’s *The Kindergarten Guide* (refer to Sources)
- ensuring that this policy is based on the principles of the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*)
- considering any issues regarding fees that may be a barrier to families enrolling at Flemington Childcare Co-operative and removing those barriers wherever possible
- reviewing the number of families experiencing financial hardship and the effectiveness of the procedures for late payment and support offered
- considering options for payment when affordability is an issue for families

- clearly communicating this policy and payment options to families in a culturally-sensitive way, and in the family's first language where possible
- providing all parents/guardians with a copy of the document containing fee information for families (refer to Attachment 1)
- providing all parents/guardians with a statement of fees and charges (refer to samples in Attachments 2 and 3) upon enrolment of their child, and ensure that the *Fees Policy* is readily accessible at the service (Regulation 171)
- providing all parents/guardians with a fee payment agreement (refer to samples in Attachments 3 and 4)
- collecting and receipting all fees
- collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions, where applicable
- complying with the service's *Privacy and Confidentiality Policy* regarding financial and other information received, including in relation to the payment/non-payment of fees
- notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected (Regulation 172(2))
- ensuring a notice outlining fees charged by the service is displayed prominently in the main entrance to Flemington Childcare Co-operative.

The Nominated Supervisor is responsible for:

- assisting the Approved Provider in developing this policy, and ensuring that this policy is based on the principles of the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*)
- implementing and reviewing this policy, in consultation with parents/guardians, the Approved Provider and staff, and in line with the requirements of DET's *The Kindergarten Guide* (refer to *Sources*)
- considering any issues regarding fees that may be a barrier to families enrolling at Flemington Childcare Co-operative and removing those barriers wherever possible
- considering options for payment when affordability is an issue for families
- communicating this policy and payment options to families in a culturally-sensitive way and in the family's first language where possible
- providing all parents/guardians with a copy of the document containing fee information for families (refer to Attachment 1)
- providing all parents/guardians with a statement of fees and charges (refer to samples in Attachments 2 and 3) upon enrolment of their child, and ensure that the *Fees Policy* is readily accessible at the service
- providing all parents/guardians with a fee payment agreement (refer to samples in Attachments 3 and 4)
- collecting all relevant information and maintaining relevant documents regarding those with entitlement to concessions, where applicable
- complying with the service's *Privacy and Confidentiality Policy* regarding financial and other information received, including in relation to the payment/non-payment of fees
- notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected
- ensuring a notice outlining fees charged by the service is displayed prominently in the main entrance to Flemington Childcare Co-operative.

Certified Supervisors and other educators are responsible for:

- informing the Approved Provider of any complaints or concerns that have been raised regarding fees at the service
- referring parents'/guardians' questions in relation to this policy to the Approved Provider

- assisting the Approved Provider, as required, in sighting supporting documentation for access to the Kindergarten Fee Subsidy.

Parents/guardians are responsible for:

- reading the Flemington Childcare Co-operative Fee information for families (refer to Attachment 1), the Fee Payment Agreement (refer to Attachments 4 and 5) and the Statement of Fees and Charges (refer to Attachments 2 and 3)
- signing and complying with the Fee Payment Agreement (refer to Attachments 4 and 5)
- notifying the Approved Provider if experiencing difficulties with the payment of fees
- providing the required documentation to enable the service to claim the Kindergarten Fee Subsidy for eligible families (refer to Attachment 1 – Fee information for families).

EVALUATION

In order to assess whether the values and purposes of the policy have been achieved, the Approved Provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness, particularly in relation to affordability, flexibility of payment options and procedures for the collection of fees
- monitor the implementation, compliance, complaints and incidents in relation to this policy
- monitor the number of families/children excluded from the service because of their inability to pay fees
- keep the policy up to date with current legislation, research, policy and best practice
- revise the policy and procedures as part of the service's policy review cycle, or as required
- notify parents/guardians at least 14 days before making any changes to this policy or its procedures (Regulation 172(2)).

ATTACHMENTS

- Attachment 1: Fee information for families
- Attachment 2: Statement of Fees and Charges – Fee schedule – Four-year-old (funded) kindergarten program
- Attachment 3: Fee Payment Agreement – Four-year-old (funded) kindergarten program

ATTACHMENT 1

Fee information for families

Flemington Childcare Co-operative 2017

1. Why fees are necessary

The Department of Education and Training (DET) provides per capita funding as a contribution toward the costs of providing a four-year-old kindergarten program. Services meet the balance of costs through charging fees and fundraising activities.

DET provides a Kindergarten Fee Subsidy (see below) that enables children from eligible families to attend a four-year-old kindergarten program free of charge, or at a minimal cost.

DET also provides funding to assist eligible three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs.

Flemington Childcare Co-operative provides a range of support options to parents/guardians experiencing difficulty with payment of fees (see below).

2. How fees are set

As part of the budget development process, the Board of Management sets fees each year for the programs of the service, taking into consideration:

- the financial viability of the service
- the level of government funding provided for the program, including the Kindergarten Fee Subsidy
- the availability of other income sources, such as grants
- the fees charged by similar services in the area
- the capacity of parents/guardians to pay fees
- reasonable expenditure in meeting agreed program quality and standards
- requirements of the *Kindergarten Fee Subsidy – Fees Policy* (details in the *The Kindergarten Guide*: (Department of Education and Early Childhood Development) available under *early childhood / service providers* on the DET website: www.education.vic.gov.au)

Fees set for the year are only reviewed in extraordinary circumstances, for example, if attendance rates fall below the budget 'break even' point.

3. Other charges

Other charges levied by Flemington Childcare Co-operative are included on the Statement of Fees and Charges. These include:

- **LDC fee deposit:** This payment secures a child's place at the service and is payable on acceptance of enrolment. The deposit is retained as part payment on the first fortnights fees. Families eligible for the Kindergarten Fee Subsidy (see below) are not required to pay the deposit. Families experiencing hardship should also discuss any difficulties with the service.
- **Excursion/service event charge:** This additional charge is required to cover the cost of excursions or special events that occur throughout the year in response to emerging children's program needs and interests. Affordability and relevance to the children's interests and the service program will be taken into consideration before a decision is made that will require families to pay this additional charge (refer to *Excursions and Service Events Policy*). Events that are planned ahead are included as an expenditure item in the service's budget and do not incur this additional charge.
- **Non-refundable levy:** This levy is retained by the service and is included in the total fees charged by the service.

- **Late collection charge:** The Board of Management reserves the right to implement a late collection charge when parents/guardians are frequently late in collecting a child from the service. This charge will be set at a level determined by the Board of Management.

4. Statement of fees and charges

A statement of fees and charges for your child care usage will be provided to families on enrolment.

5. Fundraising

Not all service costs are covered by DET per capita funding and the fees charged. Fundraising is undertaken to meet the balance and/or pay for additional items for the service. While participation in fundraising is voluntary, the support of every family is encouraged. Fundraising activities are also an opportunity for families and communities to come together.

6. Subsidies

6.1 Kindergarten Fee Subsidy (four-year-old programs only)

The Kindergarten Fee Subsidy is provided by DET and enables eligible children to attend kindergarten free of charge or at minimal cost. Eligibility conditions change from time-to-time – contact the service for further information.

Families who may be eligible for the Kindergarten Fee Subsidy (four-year-old programs only) include those who are:

- Health Care Card holders
- Pensioner Concession Card holders
- Department of Veterans' Affairs Gold Card or White Card holders
- Bridging Visas A–E
- Refugee Visa (subclass) 200
- In-country Special Humanitarian visa (subclass 201)
- Global Special Humanitarian visa (subclass 202)
- Temporary Humanitarian Concern visa (subclass 786)
- Protection visa (subclass 866)
- Emergency Rescue visa (subclass 203)
- Woman at risk visa (subclass 204)
- ImmiCard
- Aboriginal or Torres Strait Islander children
- triplets or quadruplets attending a funded kindergarten program in the same year.

Supporting documentation must be sighted by the service on acceptance of a place or on commencement in the program. Families are eligible for the Kindergarten Fee Subsidy for the full term in which their concession is valid. Contact the service for further information.

6.2 Early Start Kindergarten fee subsidy

Three-year-old Aboriginal and Torres Strait Islander children and children known to Child Protection are eligible to attend a funded early childhood program that is planned and delivered by a qualified early childhood teacher free of charge. The service receives funding for children who meet the eligibility criteria. Contact the service for further information.

6.3 Child Care Benefit (CCB)

Child Care Benefit (CCB) is an Australian Government payment that can assist eligible families with the costs of childcare at an approved or registered care provider. Flemington Childcare Co-operative is an approved care provider with the Family Assistance Office (FAO).

Approved care is childcare that meets certain standards and requirements, and is approved by the Australian Government. Approved care providers must hold a licence to operate, have qualified and

trained staff, be open certain hours and meet health, safety and other quality standards. Most long day care, family day care, before-and-after school care, vacation care, some occasional care and some in-home care childcare services are approved providers.

Registered care is childcare provided for work-related purposes, including training and studying, maternity leave, sick leave or voluntary work, and the work-related purpose must have occurred at some time during the week in which the registered care was used. Registered care is provided by individuals registered with the Department of Health and Human Services and may include care given by staff.

The amount payable is set by the Australian Government. Further details are available at: www.humanservices.gov.au/customer/themes/families

7. or telephone 136 150. Payment of fees

The Board of Management will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' cultural and financial situations.

Fees will be invoiced to parents/guardians directly and must be paid by the date indicated on the invoice. Each invoice will be accompanied by payment instructions. Receipts will be provided for all fee payments.

Parents/guardians experiencing difficulty in paying fees are requested to contact the Early Childhood Director to arrange a suitable alternative payment plan. The *Privacy and Confidentiality Policy* of the service will be complied with at all times in relation to a family's financial/personal circumstances.

8. Unpaid fees

If fees are not paid by the due date, the following steps will be taken.

- An initial reminder letter will be sent to parents/guardians with a specified payment date, and will include information on a range of support options available for the family.
- Where payment is still not received, families will be invited to attend a meeting to discuss the range of support options available and establish a payment plan.
- Failure to attend the meeting and continued non-payment may result in a second and final letter notifying parents/guardians that the child's place at the service may be withdrawn unless payment is made or a payment plan is entered into within a specified period of time. This letter will also include information on a range of support options available for the family.
- The Board of Management will continue to offer support and will reserve the right to employ the services of a debt collector.
- If a decision is made to withdraw the child's place at the service, the parents/guardians will be provided with 14 days' notice in writing.

9. Refund of fees

If a family becomes eligible for the Kindergarten Fee Subsidy during a term, a full refund of the applicable term fees (and fee deposit, where appropriate) will be provided. Fees may still apply for programs offering more than the required minimum hours per week.

In any other case, fees are non-refundable (exceptional circumstances may apply – these are at the discretion of the Board of Management). There will be no refund of fees in the following circumstances:

- a child's short-term illness
- public holidays
- family holiday during operational times
- closure of the service for one or more days when a qualified educator is absent and a qualified reliever is not available
- closure of the service for staff training days

- closure of the service due to extreme and unavoidable circumstances.

In addition, there will be no refund where a family chooses not to send their child to the program for the maximum number of hours for which they are enrolled.

10. Support services

Families experiencing financial hardship often require access to family support services. Information on these services is available from the kindergarten service provider and a list can be supplied to those families who require it. If your service does not already have this information a good place to start is with your local council.

11. Notification of fee changes during the year

Fees set for the year would only be reviewed in extraordinary circumstances, for example, if attendance rates fall below the budget 'break even' point. Parents/guardians will be notified one term in advance of any required fee increase and will be offered the option to request a payment plan.