



Payment of Fees

Review Date: 16/07/2018

Introduction

Provision of quality early education requires services to hire and retain qualified educators and administration staff (including access to professional development), secure and maintain an appropriate venue, supply quality resources and play equipment.

Department of Education and Communities provide funds towards this, however, the shortfall is met by charging fees to attend the program.

Goals – What are we going to do?

- A proposed budget will be prepared by the Finance/ Administration officer in consultation with the Director and Treasurer to enable the Management Committee to set fee levels for the following year.
- As a not-for-profit service, fees will be kept as low as possible, balancing the understanding that we service a low socio economic area, with our responsibility to ensure the service's financial viability.
- The fee structure will support equitable access by offering subsidies for low income and indigenous families in keeping with Department of Education and Communities' funding models.
- Families will be aware of their financial responsibilities through the orientation and enrolment process (Enrolment Orientation Policy and Parent Policy Guidelines).
- Fee collection will be systematic to assist families to meet their obligations in a timely manner.

Strategies - How will it be done?

The Approved Provider will:

- Work with the Nominated Supervisor and the Administration/Finance Officer to review the proposed budget before the conclusion of the calendar year.

- Will set realistic fees that provide for full fee paying positions, subsidised positions for families with health care cards, pension cards and for indigenous children which reflect the increased funding offered by the Department of Education and Communities for these enrolments.
- Work with the Nominated Supervisor and Administration/Finance Officer to monitor that fee collection is running smoothly.
- Discuss recommendations from the Nominated Supervisor and Administration/Finance Officer on a case by case basis when issues arise such as genuine hardship, avoidance of fees and debt collection.
- Review the budget in collaboration with the Nominated Supervisor and Administration/Finance Officer at regular meetings to ensure the financial viability of the service.
- Ensure that families receive at least 14 days notification of any changes to fee levels or collection procedures as per Regulation Clause 172 Part (2).
- Review issues identified by Nominated Supervisor and the Administration/Finance Officer at Committee Meetings.

The Nominated Supervisor will:

- Work with the Administration/Finance Officer to formulate a proposed budget before the end of the calendar year based on projected enrolments and Department of Education and Communities funding and present this to the Management Committee.
- Work with the Administration/Finance Officer to assist the Management Committee in reviewing the fee structure for the following year with reference to the budget.
- Ensure that families understand their financial obligation to pay fees in a timely manner, payment methods available to them and what to do if they are struggling.
- Liaise with the Administration/Finance Officer to issue accounts, file proof of income for low income families and monitor fee collection.
- Bring issues to the attention of the Management Committee for their consideration, without breaching confidentiality, and provide background information.
- Together with the Administration/Finance Officer act upon Management Committee directives in regards to implementing variations to the fee structure, debt collection, providing subsidies for extreme hardship, etc.

The Administration/Finance Officer will:

- Propose a budget for the following calendar year by early fourth term in collaboration with the Nominated Supervisor for the Management Committee's consideration.
- Provide professional financial and administrative advice, or source advice, so that the Management Committee can make informed discussions.
- Attend Management Committee meetings to provide a report and support the Nominated Supervisor and Management Committee in decision making concerning the budget and fee structure.
- Update written information for the orientation/enrolment process.
- Work with the Nominated Supervisor to ensure invoices are issued in a timely manner and that families understand their financial responsibilities in relation to payment of fees.
- Follow the fee collection procedures and timelines in collaboration with the Approved Provider, Nominated Supervisor and Assistant Director.
- Document fee collection, issue receipts and reminders, monitor payments, liaise with parents and Centrepay over any anomalies.
- Notify the Nominated Supervisor and Management Committee of progress or non-payment of fees regularly.
- Act on directions from the Approved Provider and/or Nominated Supervisor in relation to fee and/or debt collection.

Parents will:

- Pay fees two weeks in advance as required.
- Advise the Nominated Supervisor or Administration/Finance Officer of financial hardship and meet with them to formulate a payment plan if necessary.
- Follow any payment plan agreed upon.

Statutory Legislation & Considerations

Children (Education and Care Services National Law Application) Act 2010

Education and Care Services National Regulations 2011

Policy Availability

The Payment of Fees Policy will be readily accessible to all staff, families and visitors and ongoing feedback on this policy will be invited.

Evaluation

Management Committee meeting minutes and reports will provide evidence as to the success of the procedures. Annual Review will take arising difficulties into consideration.

Appendices:

1. Fee Collection Procedure
2. Current Fee Schedule including payment methods.

**Adopted by the Management Committee
Signed by: Naomi Simpson, President
Date Signed: 16/07/2016**

REVIEW DATE: 16/07/2018

Fee Collection Procedure

Fee collection is a necessary but uncomfortable duty for the Approved Provider, Nominated Supervisor, Assistant Nominated Supervisor and Administration/Finance Officer. Clear steps reduce stress on individuals and provide transparency for parents so they can understand that the process is not directed at them personally.

Step 1

At enrolment/orientation the Nominated Supervisor or Assistant Nominated Supervisor will:

- Collect a \$50 holding deposit or arrange to do so prior to the child commencing enrolment.
- Inform parents of fee levels and of their responsibility to pay fees two weeks in advance.
- Gain a parent signature on the enrolment form to indicate their understanding of their responsibilities.
- Provide parents with the Parent Policy Guidelines booklet, a letter explaining fees, pre-school brochure and our website details.

Step 2

- (a) If parents choose to pay fees via Centrepay, they complete a form which is faxed to Centrelink by the Administration/Finance Officer and a payment plan is implemented ASAP.
- (b) Other families will receive an invoice for the current term indicating a 14 day payment period. Families will receive an invoice for the following term's fees before the conclusion of the current term.

Step 3

At the conclusion of the two weeks payment period, the Administration/Finance Officer will issue a reminder notice on any unpaid accounts.

Step 4

If fees remain unpaid without contact from the parent within 7 days, the Administration/Finance Officer will phone and a payment plan will be logged onto the computer (customer log entry in MYOB).

Each time a family is contacted, notes will be entered onto the MYOB Log Entry including:

- Who has phoned and who they spoke to (time and date);
- Payment plan;
- A re-contact date.

Step 5

The Administration/Finance Officer will keep the Nominated Supervisor and Assistant Nominated Supervisor informed of the plan.

If no payment is received on the agreed date, the family will be contacted via phone the following day informing them that their child will no longer be able to attend the centre unless payment is received immediately.

If their child is withdrawn, they are still required by law to pay their account or a debt collection agency will be employed.

If the services of a debt collection agency is required, they will bear all associated costs.

Current Fee Structure

AS AT 1 JANUARY 2017

The fee structure is currently a 4-tier system to reflect funding provided to us by the Department of Education and Communities.

Membership Fee (all levels)	\$2.00 per adult per annum
Administration Fee	\$5.00 per family per term

Full Fee (unsubsidised) 3 year olds	\$28.00 per day
Unsubsidised 4 year olds	\$28.00 per 15 hours
Low Income Health Care Card holders	\$22.00 per 15 hours
Indigenous children	\$20.00 per 15 hours

Fees will not increase without a minimum of 14 days' notice.

Payment Methods

Fees can be paid via:

- (a) Direct debit
- (b) Internet banking
- (c) Centrepay (regular transfers from Centrelink payments)
- (d) By cash (each term, month, fortnight or weekly)
- (e) By cheque

We do not have credit card or EFTPOS facilities available at this point of time.

We prefer methods (a), (b) or (c) because it allows staff to stay with children rather than being in the office to process payments, and it reduces the risk of families falling behind in meeting their financial responsibility of paying fees.