

FEES POLICY

Mandatory – Quality Area 7

PURPOSE

This policy will provide clear guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Services managed by the Eureka Community Kindergarten Association Inc (ECKA), by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by ECKA

POLICY STATEMENT

1. VALUES

ECKA 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
- 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, Person with Management and Control Nominated Supervisor, Person in Day-to-Day Charge educators and parents/guardians with an enrolled child, or who wish to enrol a child at service managed by ECKA.

3. BACKGROUND AND LEGISLATION

Background

The Department of Education and Training (DET) provides funding for each child who is enrolled and attending a funded kindergarten program in the year before school. 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 children to attend a funded kindergarten program free of charge in the year before school.

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

The Commonwealth government provides a childcare subsidy under the Family Assistance Law, as a contribution to the cost of long day care programs.

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 Funding 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), as amended 2011
- *Child Wellbeing and Safety Act 2005* (Vic), as amended 2012
- *Disability Discrimination Act 1992* (Cth), as amended 2013
- *Family Assistance Law and Childcare Payments.*
- *Education and Care Services National Law Act 2010*
- *Education and Care Services National Regulations 2011: Regulation 168(2)(n)*
- *Equal Opportunity Act 1995* (Vic), as amended 2010
- *National Quality Standard, Quality Area 7: Governance & Leadership*

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: Approved child care services, such as long day care, family day care, before-and-after school care, vacation care, some occasional care and some in-home care childcare services, which have Australian Government approval to pass on Child Care Subsidy as a reduction in child care fees: (More information about the New Child Care Package can be found at:

<https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>

Child Care Subsidy (CCS): A Commonwealth Government payment to help families who use either approved or registered childcare services. All eligible families can receive some Child Care Subsidy under Family Assistance Law and Childcare payments. Details are available at

<https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>

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 up to 15 hours per week. Details are available at

www.education.vic.gov.au

Attendance 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

Kindergarten Fee Subsidy (KFS): A state government subsidy paid in addition to per capita grants to subsidise the costs of parent fees and enable eligible children to attend a funded kindergarten for 15 hours free of charge (*The Kindergarten Funding 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).

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 Funding Guide* (Department of Education and Training): www.education.vic.gov.au
- *Family assistance law for childcare payments:*
<https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>

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 and Person with Management and Control are 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
- complying with Family Assistance law for Childcare payments.
- 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 Funding Guide*
- considering any issues regarding fees that may be a barrier to families enrolling at ECKA Managed Services 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
- ensuring that the *Fees Policy* is readily accessible at the service (Regulation 171)
- providing all parents/guardians with fee information (refer to Attachment 1)
- providing all parents/guardians with a statement of fees and charges upon enrolment of their child,
- 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 ECKA Managed Services.

The Nominated Supervisor and Person in Day-to-Day Charge is responsible for:

- providing all parents/guardians with a copy of the document containing fee information for families (refer to Attachment 1 and 2)
- 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
- ensuring a notice outlining fees charged by the service is displayed prominently in the main entrance to ECKA Managed Services.

All other staff 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 ECKA Fee information for families (refer to Attachment 1 and 2)
- complying with the Fee Payment requirements contained within this policy
- notifying the Approved Provider (ECKA) if experiencing difficulties with the payment of fees

- providing the required documentation to enable the service to claim the Childcare Subsidy or Kindergarten Fee Subsidy for eligible families (refer to Attachment 1 and 2 – 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

AUTHORISATION

This policy was adopted by the Approved Provider of ECKA Managed Services on 02/07/2019

REVIEW DATE: 01/07/2020

ATTACHMENT 1

General Fee information for families

ECKA

1. Why fees are necessary

The Commonwealth government provides a subsidy as a contribution to the cost of long day care programs and State and Commonwealth Governments 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.

The Commonwealth Government provides a Childcare Subsidy under the Family Assistance Law that enables eligible families to access long day care services delivered by ECKA.

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 planned and delivered by an Early Childhood Teacher.

ECKA 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 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 *Victorian kindergarten policy, procedures and funding criteria* document available at www.education.vic.gov.au/childhood/providers/funding/pages/kinderfundingcriteria.aspx)

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 ECKA includes:

Late collection charge: The Board 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.

4. Statement of fees and charges

A statement of fees and charges for long day care, four-year-old or three-year-old kindergarten, or any related children's services, 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 (KFS) (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 ECKA for further information.

Your child will be eligible to access free or low-cost 4 year old kindergarten in any of the following circumstances:

- Commonwealth Health Care Card holders
- Commonwealth Pensioner Concession Card holders
- Department of Veterans' Affairs Gold Card or White Card holders
- Temporary Protection/Humanitarian Visas 447, 451, 785 or a Resolution Status (RoS), Class CD, Subclass 851
- An Asylum seekers on Bridging Visas A–F
- Refugee Asylum Seeker Visa 200–2014 or 866
- If your child identifies as an Aboriginal or Torres Strait Islander
- If your child is a triplet or quadruplet 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 ECKA 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 ECKA for further information.

6.3 Child Care Subsidy (CCS)

Child Care Subsidy (CCS) is an Australian Government payment that can assist eligible families with the costs of childcare at an approved provider. ECKA is an approved care provider (for Long Day care services only) 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.

The amount payable is set by the Australian Government. Further details are available at <https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy> or telephone the FAO on 136 150.

7. Payment of fees

The Board will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' circumstances.

Fees for kindergarten programs 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. The term's fees must be received in full by the 3rd week of that term. For children enrolled after the commencement of a term, a pro rata invoice will be issued and must be paid in full within 14 days of the child's commencement at the service. Receipts can be provided for all fee payments. (if your child is turning 3, please refer to item 10)

Childcare fees will be invoiced on a fortnightly basis. Invoices will show any childcare subsidy payments made by the commonwealth government and the remaining gap fee is to be paid by parents/carers within 14 days of the date of the invoice. (further details in Attachment 2)

Parents/guardians experiencing difficulty in paying fees are requested to contact the ECKA CEO on 5339 5055 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 text, email or letter will be provided to parents/guardians and will include information on a range of support options available for the family.
- Where payment is still not received, families will be contacted by phone, email or letter and invited to discuss the range of support options available and establish a payment plan.
- Failure to make a payment arrangement and continued non-payment may result in a final notification informing 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.
- The Board 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 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. 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.
- closure of the service due to bushfire risk

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. Three-year-old Kindergarten- Children turning three during the year of enrolment

Full payment from the first day of Term 1 is required if a place is to be reserved for a child in the three-year-old kindergarten program, if there is a waiting list. Children can only commence the program when they have turned three.

11. 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.

12. 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.

ATTACHMENT 2

Childcare fee information:

1. Billing

Families will be billed on a fortnightly basis. Families are expected to pay the gap fee shown on the invoice each fortnight and not allow fees to fall more than two weeks into arrears. The invoice will detail the days and times of attendance in childcare, the childcare subsidy paid by the government and any parent payments.

2. Public Holidays and Christmas Holiday Closure period.

Fees are not charged when the service is closed for public holidays and the Christmas holiday closure period.

3. Family holidays and Non-attendance days

When a child does not attend the service for reasons such as illness or holidays, families will continue to be charged for services according to the child's regular booking.

Families who take extended holiday periods but wish to hold their child's place at the centre will be expected to pay the regular fees for the place at the centre.

4. Absenteeism

If a child is to be absent for the day, parents are requested to telephone the service as soon as possible to inform educators. If the child is sick it is important to inform the service of the nature of the illness, symptoms and any diagnosis is helpful in containing the spread of illness.

5. ECKA Annual Professional Development day

ECKA believes that ongoing professional development and training is vital for our staff to remain at the forefront of their profession and continue to provide quality early childhood education and care. ECKA may close the service one day per year to allow all educators to attend a professional development day. On this day all ECKA Services will be closed. Families will need to arrange alternative care for their children on this day and will be notified of the day in advance. Families will not be charged for services on this day.

6. Cancellation of booking

Families are asked to provide 2 weeks' notice of the cancellation of a booking. Fees will continue to apply for the two weeks' notice period unless cancellation of booking is due to an illness and a medical certificate is provided.

7. Fee Subsidy Entitlements

Australian families will need to satisfy the Australian Governments Activity test to be eligible for childcare subsidy. More information about eligibility can be found at <https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy> or telephone the FAO on 136 150.

8. Kindergarten only

Long Day care services offering a funded sessional kindergarten program for families who only want to attend kindergarten should see the information for kindergarten fees in Attachment 1 of this policy.

9. Combined Kindergarten and long day care fees:

Families who attend integrated kindergarten in the long day care program will be subjected to the fee information in the following table:

<p>Child attends full days of childcare with 15 hours of funded kindergarten program within the days of care</p>	<p>A Full day childcare fee is charged for each full day of care and the parent pays the gap fee after the childcare subsidy has been paid by the government.</p>	<p>No kindergarten fee to be charged.</p> <p>No kindergarten fee subsidy (KFS For HCC) can be claimed.</p>
<p>Child attends a combination of full day childcare and one or more days when the child only attends the hours the funded kindergarten session is offered.</p>	<p>A full day childcare fee is charged for each day of care, whether the day includes a funded kindergarten session or not. Parent/carers pay the gap fee after the childcare subsidy is paid by the government.</p> <p>Example: Child is in a full day of care on Monday with no kinder program- Full day charged. Child is in a full day of care on Tuesday which has a 5-hour kinder session in the day- A full day is charged. The child attends on a Wednesday and only attends the 5-hour kindergarten session- Full day fee is charged. Parent/carer pays the gap fee.</p>	<p>No Kindergarten fee to be charged.</p> <p>No kindergarten fee subsidy (KFS) can be claimed.</p>
<p>Child attends a combination of full day childcare and one or more days when the child only attends the hours the funded kindergarten session is offered. The parent or child has a Healthcare card or pension card.</p>	<p>A full day childcare fee is charged for each day of care, whether the day includes a funded kindergarten session or not.</p> <p>On the days when the child only attends the hours of the kindergarten program and does not have before or after kinder care, ECKA will not charge parents the gap fee on those days only.</p> <p>(Rationale- for children attending kindergarten sessions only- this formula has been applied to ensure that no eligible child is in risk of missing their kinder year due to current government policy that KFS cannot be claimed if CCS applies to that family for any kindergarten day).</p> <p>Example: Child is in a full day of care on Monday with no kinder program- Full day charged. Child is in a full day of care on Tuesday which has a 5-hour kinder session in the day- A full day is charged. The child attends on a Wednesday and only attends the 5-hour kindergarten session- Full day fee is charged and parents do not pay the gap fee for the Wednesday only.</p>	<p>No Kindergarten fee to be charged.</p> <p>No kindergarten fee subsidy (KFS) can be claimed.</p>