

Fees and Fundraising Policy

Authorisation

This policy was reviewed and adopted by the DSCCC Management Committee on 23 August 2017.

Review Date

This policy will be reviewed annually, with the next review to occur in June 2018.

Per regulation 172(2) of the *Education and Care Services National Regulations 2011*, DSCCC must ensure that parents of children enrolled at the service are notified at least 14 days before making any change that will affect the fees charged or the way in which fees are collected.

Policy Statement

Values

DSCCC is committed to:

- Providing responsible financial management of the service, which includes setting fees which will result in a financially viable and quality service on a not-for profit basis.
- Ensuring regular fee payments are made by families.
- Providing a fair and manageable system for dealing with the failure to pay fees, and/or inability to pay outstanding debts.
- Maintaining confidentiality in relation to the financial circumstances of parents/guardians.
- Advising families of how DSCCC child care and preschool programs are funded and that they are reliant on parent fees to operate the service.
- Complying with all legislative requirements.

Purpose

The purpose of this policy is to provide a clear set of guidelines for the setting, payment and collection of fees, which ensure the viability of DSCCC as a not-for-profit service.

While government funding and childcare fees sustain the operations of DSCCC, fundraising provides supplementary revenue that enables the Centre to:

- Enrich the learning and development experiences for all children.
- Enhance the physical environment for all users.
- Provide staff and voluntary committees with the tools required to further achieve the Centre's overall goals.

Scope

This policy applies to the Management Committee, the Director, educators and to parents/guardians whose child/children are attending, or who wish to commence care at DSCCC.

Background and Relevant Legislation

The Department of Education 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

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required to meet all the additional costs incurred by the service in the delivery of the children's program.

Fees are necessary because there is a shortfall between the level of DET funding and the costs of operating a viable child care centre and integrated preschool program.

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) of the *Education and Care Services National Regulations 2011* and the payment process.

All families must be informed of applicable fees at the time of enrolment.

Furthermore, parents/guardians need to be aware that DSCCC relies on prompt payment of fees to meet costs. All parents/guardians must pay fees as they fall due. DSCCC has the discretion to withdraw care for non-payment of fees.

The Commonwealth Government pays a contribution towards the cost of child care for families which is paid directly to DSCCC. (See 7.2 Fee Subsidies)

Relevant Legislation

Relevant legislation and standards include but are not limited to:

- *Charter of Human Rights and Responsibilities Act 2006* (Vic) *Child Wellbeing and Safety Act 2005* (Vic)
- *Disability Discrimination Act 1992* (Cth)
- *Education and Care Services National Law Act 2010* (Vic)
- *Education and Care Services National Regulations 2011*
- *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*

Definitions

Administration Fee: Non-refundable, one-off payment to the Centre, due prior to Commencement of Care date.

Child Care Benefit (CCB): Commonwealth Government payment to help families who use either approved or registered childcare services. Eligible families can receive some Child Care Benefit. Details are available at www.familyassist.gov.au/payments/family-assistance-payments/child-care-benefit/

Child Care Rebate (CCR): Commonwealth Government pay 50% of out of pocket expenses towards your fees of up to \$7,500 per annum. Details are available at <http://www.humanservices.gov.au/customer/services/centrelink/child-care-rebate>

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Commencement of Care Date: The date on which children are eligible to start care (see Waiting List and Offer of Place policy for more detail).

Current Children: Those children already in attendance at DSCCC.

Fees: A payment for a place within DSCCC.

Late Collection Fee:

- a. 1st Offence: \$10 for each ten minutes, or part thereof after 6.00pm and a warning letter or email outlining future penalties that may apply.
- b. 2nd Offence: within the 3 month period of the first offence, to receive a \$100 fine per 10 minutes or part thereof, and given a warning letter or email outlining future penalties that may apply.
- c. 3rd Offence: within a three month period of the second offence, to receive a \$100 fine per 10 minutes or part thereof, and provide justification to the Management Committee why their family should not be expelled from DSCCC.

New Children: Those children who have not commenced care at DSCCC.

Not For Profit: Does not aim to make a profit or a loss in any financial year.

Parent Participation Levy: A \$150 levy is charged prior to Commencement of Care date. This is rolled over each year, if participation has been completed as per Participation Policy, which requires parents to contribute 12 hours to the Centre each year, and returnable on leaving DSCCC. The levy is forfeited if participation is not completed by the end of the year, and a new levy will be requested with your final bill for the current year. The Parent Participation levy for the second and subsequent years of attendance will rise to \$250 if the original \$150 levy is forfeited.

Waiting List Fee: Waiting list applicants will be charged a non-refundable fee of \$20 to cover the administration costs of maintaining the list. The charge will apply to each family, regardless of the outcome of their application.

General Meetings: Meetings for all families that occur on a bi-annual basis or as required, including the Annual General Meeting.

Procedures

Fees

7.1 Setting fees

The Management Committee will

- Determine an appropriate fee structure (refer Appendix 1 for the Fee Schedule) for the following financial year when setting the budget, having taken into consideration the operational costs, and the number of children.
- Advertise the proposed fee structure no less than three weeks prior to a General Meeting.
- Ensure explanations and discussion on the proposed fee structure take place at a General Meeting, prior to a vote taking place.
- Notify families of approved fee structures no later than one week after a General Meeting.
- Ensure that the approved fee structures will take effect no earlier than three weeks after the approval by vote has taken place.
- Review and change the fees during the year if the financial viability of the DSCCC is at risk.
- Review the Participation Levy and Administration Fee annually.
- Support the application of the Late Collection Fees policy as specified in Definitions and within the Fee Schedule (Appendix 1). In this regard, these fees will be charged to accounts and will show on fortnightly invoices.

7.2 Fees Subsidies

Child Care Benefit

Child Care Benefit (CCB) reduces the child care fees of eligible families using approved child care services. Assistance provided is proportionally higher for lower-income families. Eligible families can have the benefit paid directly to DSCCC to reduce their ongoing fees, or alternatively can receive the benefit as a lump-sum payment after each quarter or financial year.

Families using approved child care services may be eligible for up to 50 hours per week CCB for work-related child care. Conditions apply to receipt of CCB, including a limit of 42 allowable absences

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per year and the child must be immunised, or have an immunisation catch up schedule, or be exempt from the immunisation requirements.

Further details are available at www.familyassist.gov.au/payments/family-assistance-payments/child-care-benefit/. DSCCC urges families to obtain the relevant forms from the Family Assistance Office or the Director prior to Commencement of Care.

Special Child Care Benefit

Special Child Care Benefit (SCCB) is a benefit available through the Department of Education and early childhood development to provide for funding for child care where:

- a child at risk of serious abuse or neglect; or
- exceptional cases where a family's income does not truly reflect their capacity to pay the normally charged fee.

This funding needs to be applied for through DSCCC, and is made available for limited periods of time in exceptional circumstances. See the Director for more details or go to <http://www.humanservices.gov.au/customer/forms/fa023> for criteria.

Jobs, Education & Training Child Care Fee Assistance

Jobs, Education & Training Child Care Fee Assistance ([JETCCFA](http://www.humanservices.gov.au/customer/services/centrelink/jobs-education-and-training-child-care-fee-assistance)) is a payment made to approved child care services on behalf of eligible families to reduce the cost of care at the time it is provided. It is paid in addition to [CCB](#). The sum of both CCB and JETCCFA reduces a person's out-of-pocket expenses for approved child care significantly. Further information can be found here: <http://www.humanservices.gov.au/customer/services/centrelink/jobs-education-and-training-child-care-fee-assistance>

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

The Kindergarten Fee Subsidy is provided by DET and enables eligible children to attend kindergarten. DSCCC uses these funds to employ a suitably qualified teacher.

Child Care Rebate

Child Care Rebate (CCR) is an Australian Government payment that can assist eligible families with the costs of childcare. The rebate is up to 50% of your out-of-pocket child care expenses incurred with a maximum rebate of \$7,500 per child per year.

The government will only pay \$6,275 to the centre and then payments will cease. The outstanding amount will be paid to families on completion of their tax return for the financial year. Families should note that they therefore need to budget for this cessation of payments as they will need to cover full fees to the centre if this arises.

"Out-of-pocket child care expenses" means the amount you pay for childcare after your CCB amount is taken out.

More information is available from the Family Assistance Office at www.familyassist.gov.au or via p: 13 61 50 between 8am to 8pm Monday to Friday.

7.3 Payment of Accounts

Accounts

Fees will be charged on a daily basis (refer to Fee Schedule at Appendix 1 for daily rate). Invoices are emailed to families fortnightly and have 14-day terms such that fees continue to be paid two weeks in advance.

Families of New Children

On offer of a place at DSCCC, families will receive a Commencement of Care pack. This will include invoices for fees and levies. Prior to the Commencement of Care date noted in the Commencement of Care pack, all fees and levies need to be paid. Families will receive their next invoice on the invoicing day following the Commencement of Care date.

New families will be required to pay prior to the Commencement date:

- fees to cover the first two weeks in the invoicing cycle, or part thereof

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- two weeks advance fees
- Parent Participation Levy \$150 in the first year, increasing to \$250 in the second and subsequent years if participation hours are not met;
- Administration Fee \$100
- \$1 DSCCC Co-operative Share.

Families of Current Children

Fortnightly invoices are emailed to families on a Friday requesting payment for the two weeks of care commencing the following Monday. The terms of all invoices are 14-days. All accounts must be paid in full by the end of the year. This includes families returning for the next year.

Hardship

If parents/guardians are experiencing financial hardship, they should contact the Director/Administration Officer as soon as possible to discuss payment options. Management Committee approval is required for any variance to this policy.

7.4 Method of payment

Payment of invoices shall be made by Direct Deposit (DSCCC's only payment method). DSCCC banking details will be provided to families as part of the Commencement of Care pack. All credits and payments will be shown on the fortnightly statements. Individual receipts will not be issued.

7.5 Payment of late fees procedures

If fees, as detailed on the fortnightly invoice, are three weeks overdue; that is, one week in arrears, the Director /Administration officer will:

- Step 1. Issue a reminder notice stating fees are overdue, giving five working days for payment. This payment must take the account to two weeks in advance.
- Step 2. Follow up the reminder with a telephone call within the same period. If the family is having difficulty paying, a meeting can be arranged to discuss alternate payment options and to develop an agreed payment plan.
- Step 3. If payment has not been received, or an agreed payment plan has not been drawn up, the Management Committee will issue a second and final demand for full payment within five working days. They will notify the family, that if this payment is not made there will no longer be a place available at the service for the child.

If the payment plan drawn up and signed by both parties is not adhered to, the follow-up process will commence at step two. Families falling behind on payments twice in one year may be required to move to a Direct Debit system to ensure all future payments are made.

7.6 Debt recovery

The Management Committee reserves the right to take action to recover debts owing to the service. This may include the engagement of a debt collector. The cost of this service will be paid for by the parents/guardians in arrears.

Where a family owes a substantial amount of money to DSCCC, no further placements will be provided to any child in the family, until all outstanding monies are paid or both parties agree to a payment plan.

7.7 Cessation of care & dropping booked days

The notification period for the dropping of booked days is 4 full weeks. Families who drop booked days after re-enrolment will be charged for the dropped days during the term of the notice period.

In addition to the notice period, families who drop booked days after re-enrolment (ie. after receipt of their confirmation of care letters) but prior to the commencement of the following year, will be charged an additional penalty fee of one day's full fee for every dropped day. (ie. one dropped day will result in payment equivalent to one days fees, three dropped days results in payment of three days fees).

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This fee is to meet the additional costs of the centre in reallocating the dropped day – no care is provided for the fee.

7.8 Absences from care

There will be no charge where the centre is closed due to:

- the Christmas break
- a public holiday
- a staff professional development day (two days per year).

For all other absences, a 100% holding fee will be charged.

Families are requested to inform DSCCC in advance, or by 9am on the day, if their child is going to be absent. If after an absence of one week without contact from the family, a phone call or email will be sent requesting that DSCCC be notified if care is to continue.

A second phone call or email will be sent one week later if no contact has been made, stating that all outstanding fees are required to be paid immediately and informing the family that their place will be forfeited if they fail to contact DSCCC within seven days.

CCB Allowable Absence Days

CCB is paid in certain circumstances when a family is charged for care that their child does not attend. The circumstances are—*allowable* absence days.

CCB is paid for up to 42 allowable absence days for each child per financial year. Of note:

- Each child receives a new set of 42 allowable absence days at the beginning of the financial year.
- Allowable absence days can be taken for any reason (provided the day being claimed as an absence is a day on which care would have otherwise been provided).
- Allowable absence days cannot be claimed before a child has commenced care or after a child has left care.
- Allowable absence days are referred to as permitted absence days in the family assistance law. It is DSCCC's responsibility not to allow more than 42 allowable absence days per financial year for each child.
- Families who receive CCB as a fee reduction at more than one approved child care service must inform DSCCC when they have used up their 42 allowable absence days for each child.
- Once a family has used 42 allowable absence days in a financial year, DSCCC cannot use CCB to reduce the fees charged for the child for any more allowable absence days in that financial year.
- A family may still take absences that exceed 42 allowable absence days and are not for an approved absence day reason, but CCB will not be paid, and full fees will be due.
- The number of allowable days that a family has used will appear on each invoice received on a fortnightly basis.
- Allowable absences cannot be used to enable CCB to be paid for fees charged to reserve a place for a child who has not yet commenced care. Allowable absences cannot be claimed once a child has ceased care. However, if a child is booked in to start at your service on a particular date, and does not start because of an approved absence reason, the family may claim CCB.
- Similarly, if the family has advised that their child will leave your service on a particular day, but that child does not attend their last sessions of care for an approved absence reason, the family may claim CCB for the days the child was expected to attend.
- Where a child is considered a dependent child of two families, such as when separated parents share the care of a child; the FAO will issue each family with a CCB assessment. In these situations each family will be provided with 42 allowable absence days per child per financial year.

DSCCC will ensure that CCB entitlement is always paid for absence days by maintaining attendance records that are correctly completed;

CCB can only be paid for an allowable or an approved absence day if the child would normally have been in care on that day. The hours of CCB paid for an allowable or approved absence day are the usual number of hours a child's family would have been eligible for on that day.

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7.9 Confidentiality

The Management Committee will treat as confidential, information it receives relating to the parents'/guardians' financial situation and the payment/non-payment of fees.

Fundraising

7.10 Management of Fundraising Revenue & Expenditure

- Once every year or two, a major fundraising event may be held to raise money for specific projects.
- At the beginning of each year the Management Committee will decide if a major event will be held that year, and if so, choose the date and what the money raised will be spent on. An Event Committee will then be formed to oversee the event, and will estimate total revenue and expenditure for the Management Committee to approve.
- A separate bank account is to be maintained for fundraising revenue and expenditure.
- Withdrawals will require 2 signatories as per the usual DSCCC bank account.
- A member of the Event Committee will collect and count all monies associated with fundraising activities.
- Where practical, cash received in association with any fundraising event is to be counted by two members of the Event Committee or one member and the Centre Director.
- All fundraising revenue is to be banked into the Fundraising Account by a member of the Management Committee or the Centre Director.
- The Director will draw cheques for commercial operators and/or fundraising expenses from the Fundraising Account, on the presentation of receipts/invoices that are pre-approved by the Management Committee.
- The Event Committee may draw on funds approved by the Management Committee either by per item, or extract the total approved expenditure amount, to use only for the agreed purposes, ensuring fundraising account cash flow is adequate.
- Members who have incurred approved fundraising expenses can be reimbursed from petty cash or cheque by the Director on presentation of receipts.
- Fundraising expenses of \$100 or more are to be pre-approved by the Management Committee.
- The Fundraising Account will be audited as part of the Centre's annual audit.
- For reasons of probity: all members of the Event Committee must be shareholders of the DSCCC; and both parents/guardians of a child cared for at DSCCC cannot serve on the Event Committee concurrently.

7.11 Application of Fundraising Revenue

Net revenue generated by fundraising at DSCCC is to be used to purchase items that augment Government funding and child care fees, and will not be used for operational expenses or to assist with operational cash flow. Specifically, fundraising monies will assist in the purchase of:

- children's books, educational toys & equipment
- capital items and/or works such as the redevelopment of outdoor play areas and refurbishment of facilities.
- equipment that leads to greater participation in committee-led activities and/or reduces future costs of committee activities.

In accordance with these principles, the Management Committee will decide how and when net fundraising revenue is to be expended.

8. Key Responsibilities and Authorities

The Management Committee is responsible for:

- Developing and reviewing this policy, in consultation with the parents/guardians and staff.
- Authorising any changes to the policy.
- Ensuring the policy is implemented.
- Respecting the confidentiality of the information gained from families as part of this policy.

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The Director/ Administration Officer is responsible for:

- Ensuring families are made aware of their responsibilities and their entitlements to subsidies.
- Collecting, banking and receipting all fees and levies.
- Respecting the confidentiality of the information gained from families as part of this policy.

The parent/guardians are responsible for:

- The payment of fees in line with this policy.

9. Resources and Support

Related documents

- Victorian kindergarten policy, procedures and funding criteria located at: <http://www.education.vic.gov.au/childhood/parents/kindergarten/Pages/default.aspx>
- Department of Human Services publications and subsidy forms located at: www.familyassist.gov.au/payments/family-assistance-payments.
- Accounts for past fundraising events.
- Fundraising Manual held by the co-ordinator of the Event Committee.

DSCCC Policies

- *Child Orientation and Enrolment Policy*
- *Complaints and Grievances Policy*
- *Delivery and Collection of Children Policy*
- *Model Rules of DSCCC*

11. Evaluation

In order to assess whether the policy has achieved the values and purposes set out in the Policy Statement, the Management Committee will:

- Assess the effectiveness of the process for the collection of fees.
- If appropriate, conduct a survey in relation to this policy or incorporate relevant questions within the general parent/guardian survey.
- Take into account feedback from staff regarding the policy.
- Monitor complaints and incidents regarding the policy.
- Review the number of occasions families/children have been excluded from DSCCC because of non-payment of fees.
- Arrange for an annual audit of fundraising account.
- Document and make publicly available a list of all purchases made through fundraising activities.

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Fees Policy

Date Reviewed	Details of Changes (if any)	Date of Next Review
June 2017	Update to fees and other minor updates	June 2018
July 2016	Updated with the inclusion of a new requirement for families to pay a penalty fee if they drop booked days before the commencement of the new year. Update to fees	June 2017
February 2016	Update – no charge for public holiday	June 2016
March 2014	Changes to Kindergarten fees references, invoicing day, absences policy Updated fee schedule Fundraising Policy incorporated into Fees Policy – now known as Fees and Fundraising Policy	March 2015
November 2012	Update Fee Schedule and notice period for dropping days. Update relevant legislation and fee subsidy arrangements.	November 2013
December 2011	Update fees	November 2012
December 2010	Update fees Addition of emailing invoices Update to approved allowances section	December 2011
November 2009	Update Appendix 1: Fee structure	November 2010
January 21, 2009	Removal of refund offer if an absent child's place is used.	November 2009
November 19, 2008	Update Appendix 1: Fee Structure	November 2009
November 11, 2008	Change of policy on recovery of unpaid fees	November 19, 2008
June 2008	Insertion of Fundraising levy and Waiting List Fee Removal of option to pay fees in cash	December 2008
September –December 2007	Adjust Child Care Tax Rebate (CCTR) information, Payment procedures regarding new families; Fines for late collection of children as per decision at AGM 28 Nov 2007. Update Appendix 1: Fee Structure	December 2008
April 2006	Initial DSCCC policy based on 2005 KPV Fee Policy.	April 2007

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Fundraising Policy

Date Reviewed	Details of Changes (if any)	Date of Next Review
March 2014	Fundraising Policy, combined with Fees Policy to form new Fees and Fundraising Policy	Nil
August 2010	Nil	August 2012
August 2008	Replacement of Fundraising Committee with Event Committee	August 210

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Appendix 1

Fee Schedule as at 1 July 2017

	Effective 1 July 2017
Daily Rate	\$118.50
Late Fee	<p>1st Offence: \$10.00 for each ten minutes, or part thereof after 6.00pm and a warning letter or email outlining future penalties that may apply.</p> <p>2nd Offence: within the 3 month period following the first offence, to receive a \$100.00 fine per 10 minutes or part thereof, and given a warning letter or email outlining future penalties that may apply.</p> <p>3rd offence: within a three month period following the second offence, to receive a \$100.00 fine per 10 minutes or part thereof, and provide justification to the Management Committee why their family should not be expelled from DSCCC.</p>
Administration Fee	\$100.00 (due prior to Commencement of Care date).
Waiting List Fee	\$20.00 (due when Waiting List application made) .
Participation Levy	<p>\$150.00 (due prior to Commencement of Care date).</p> <p>\$250 in second and subsequent years if participation hours not met.</p>
Dropped Days Penalty Fee	Fees for one full week (calculated as the fee of one day for each dropped day).

Please see definitions for explanations of the different fees and levies.