

## Fee Payment Policy

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<b>Sources</b>	<p>Education and Care Services National Regulations, October 2020</p> <p>Education and Care Services National Law, February 2018</p> <p>Guide to the Education and Care Services National Law and the Education and Care Services National Regulations, October 2017</p> <p>Guide to the National Quality Framework, September 2020</p> <p>DET Children's Services Guide 2018S Information – <a href="http://www.humanservices.gov.au/individuals/services/Centrelink/child-care-subsidy">www.humanservices.gov.au/individuals/services/Centrelink/child-care-subsidy</a></p> <p>Child Care Provider Handbook Version 1.0, May 2018</p>
<b>Related Policies</b>	Enrolment and Orientation

### **Aim:**

To enable our service to provide high quality early education and care for children we need to ensure we are financially viable at all times. Our service's financial health and access to our service will be maximised by ensuring families are aware of all fees and fee payment requirements upon enrolment.

### **Explanation**

Our service is committed to ensuring our fees are as affordable as possible and that all families have access to any subsidies that are available to reduce these fees. The setting and payment of fees takes into account all requirements of the Education and Care Services National Regulations, Australian Tax Office, Privacy Act and the guidelines contained within the Child Care Provider Handbook.

All records held at the service will be maintained in accordance with the service Confidentiality and Privacy Policy. Families will be provided with accurate fees statements and clear information regarding fee payment processes.

### **Country Children's Early Learning's Fee Schedule**

Under Family Assistance Law Family Day Care Services must set a Fee Schedule for Family Day Care Educators to follow when setting and charging fees. Educators as self-employed contractors are responsible to set their fees in accordance with the services schedule.

**Fee Schedule from 1 July 2021**

Hourly Session Type	Hourly Rate Range	Levy
Standard Hours Monday to Friday between 8am to 6pm	\$11.40 - \$16.00	Family - \$1.15 Educator- \$0.25
Non Standard Hours Monday to Friday 6pm to 8am	\$11.40 - \$16.00	
Overnight Care	\$11.40 - \$16.00	
Casual Care	\$11.40 - \$16.00	
Weekend Care	\$11.40- \$16.00	
Public Holiday Care	\$11.40 - \$16.00	
Before and After School Care	\$11.40- \$16.00	
CCS Hourly Rate 2020 - 2022	\$11.40 per hour	

- The Fees on the Fee Schedule are the rate before the Levy is applied.
- It is recommended that Educators charge at least the CCS hourly rate cap as their total fee, including the Levy.

**Responsibilities:**

**In relation to the Approved Provider & Co-ordination Unit Staff:**

- Abide by their obligations under the current Education and Care Services National Law, Education and Care Services National Regulations and the National Quality Standard in relation to payment of fees

**Fees Payable/Accounts:**

- The fee schedule and fees payment policy will be fully explained to families during the enrolment process
- Fees payable will be based on the weekly bookings and the fees charged for that care
- Families will be given a minimum of 1 month’s notice for any CCEL Levy increase
- Educators are required to provide CCEL with 6 week’s notice of any fee increases for families, and 1 months’ notice to families
- The same fee will be charged to all families for equivalent care arrangements
- A statement of fees will be sent to parents/guardians weekly, in arrears
- Fee payments will be receipted, in accordance with Australian Government Guidelines
- Families are required to pay fees on public holidays if the holiday falls on their regular booked day
- Families may also view details about their child care usage and total fees charged and the fee reductions calculated by the Centrelink office (FAO) on the View Child Care Attendance online statement available through the FAO website
- Families should contact the service to advise of their child’s inability to attend as soon as this is known. Fees will still be required to be paid for days the child would normally attend

**Attendance Records and Fee Payments:**

- Educators and families are required to sign the Daily Attendance Record as evidence of the mutual agreement of hours used and fees accrued over each week
- Educators are required to have the children signed in and out of care with the authorised persons PIN. If the authorised person does not have a PIN, the Educator may use their PIN and make comment on the timesheet for CCEL records
- Educators are required to ensure any other children residing at the Family Day Care home or in the care for the Educator who are not eligible for CCS are also registered with CCEL and submit attendances for these children to CCEL
- Educators are responsible for completing the attendance record in full, checking hours and calculations are correct, verifying this with the Parent/Guardian via esignature and submitting to CCEL via Harmony Web by 4pm every Monday
- Fees are collected by Educators on behalf of the Service. Educators are required to provide families with Invoices for care based upon the Service Payment Advice, and issue receipts for payments received via Harmony Web, or a CCEL approved receipting system
- Processing is done weekly and families are required to pay fees to their Educator in accordance with the agreement set out in their Care Contract
- The payment of childcare fees secures the child/ren's position with the service. Payment is still required for any absences including the child being ill, public holidays and annual leave days
- Educators are only to provide care for and submit attendances for up to 7 children in total at any one time, 4 under school aged children and 3 school aged children or 7 school aged children
- Fees must be paid as a Direct Deposit into the Educators nominated Bank Account, Educators are not to accept Cash / cheque or enter into any other arrangements
- Educators will follow changes in their practices according to their COVID-19 risk assessment to ensure health and hygiene practices are maintained in regards to signing children in and out of care, and enabling families to use the remote signature facility

**Public Holiday Charges:**

- Fees will be charged for Public Holidays if the Public Holiday falls on a day that your child would normally attend care
- Fees **will not** be charged for Public Holidays if the Educator is closed the day before the Public Holiday
  - For example: If the Educator is closed the Thursday before Good Friday the Public Holiday cannot be charged
- Fees **will not** be charged for Public Holidays if the Educator is closed the day after the Public Holiday
  - For example: If the Educator is closed the Tuesday after the Queen's Birthday Public Holiday the Public Holiday cannot be charged
- Fees **will not** be charged for Public Holidays that fall during an Educators "Shutdown Period" – e.g. when they are taking holidays

**Chargeable Hours for Public Holidays**

Day/s Prior to Public Holiday	Public Holiday	Day/s After Public Holiday	Can I Charge for the Public Holiday?
Closed	Public Holiday	Closed	No
Open	Public Holiday	Closed	No
Closed	Public Holiday	Open	No
Open	Public Holiday	Open	Yes

- Fees will not be payable when the Educator is not available to provide care
- Educators will notify CCEL and families in writing by 1 October each year of their proposed Christmas Shutdown dates to enable families plenty of time to organise their own leave
- Educators need to provide families with receipts for payment and maintain a record of parent payments for the services or relevant Govt Departments verification for the purposes of an audit
- Copies of receipts provided to families for Gap Fee Collection must be provide to CCEL at least quarterly
- Families will be made aware of what Government Assistance (e.g. Child Care Subsidy) is available for families via the Parent Handbook

**Child Care Subsidy System (CCS):**

- Our service will comply with the Australian Government requirements to be an approved education and care service for the purposes of Child Care Subsidy (CCS), reporting requirements and any other requirements for claiming and administering CCS will be maintained by the service
- It is the enrolling parent/guardian’s responsibility to register for CCS through their myGOV account, provide their projected annual income, activity levels and the name of our service
- All fees are charged at the full rate. Each family’s eligibility for CCS is then calculated and the service is then forwarded these funds. Families are then responsible for paying the “Gap Fee”
- Any changes in a family’s financial circumstances may result in changes or cancellation of CCS. It is the family’s responsibility to keep their details on myGov current and contact Centrelink if they wish to dispute assessments or discuss it further
- Families will only be eligible for CCS if child care attendance records are accurately completed and signed by the parent/guardian or other responsible adult, and other eligibility requirements are met
- Families are entitled to 42 absence days for each registered child in each financial year. CCS is paid for these days provided that the child would normally have attended on that day, and fees have been charged
- Additional absences can be claimed when the first 42 days have been used. Supporting documentation may be required for approval of additional absences

- All documentation pertaining to CCS will be kept for the specified period of time and made available to Australian Government Officers on request.

#### **Payment of Fees:**

- It is each families' responsibility to check their Account Statement each week to ensure that their child's bookings and absences are correct
- Family Day Care Educators registered with CCEL are responsible for collecting and receipting the Gap payment from Guardians on the services behalf
- Families fees payable to the service are calculated according to each families eligibility for CCS
  - Account Statements outline the full fee charged, the amount of CCS applied, and the Gap Fee
  - The "Gap Fee" is the amount owed by families to the service once CCS has been applied

#### **Overdue Fees:**

- Educators will contact families if fee payments are not made within the required timeframe
- A reminder notice will be issued by the service if fees are not paid by the due date on the Payment Advice
- If fees continue to be outstanding into the next fortnight a notice with a payment timeframe will be issued by CCEL
- If a family is having difficulty paying their account they are encouraged to contact the service so that suitable arrangements for payment and ongoing care can be discussed
- If fee payments are continually made late or in arrears the child/children's position with the service may be jeopardised
- Debt collection services will be used to follow up unpaid fees

#### **Late Pick Up Fees:**

- Families are asked to be on time to collect their child from care, we do realise that sometimes running late is unavoidable, and out of courtesy that you call and notify the Educators if you are going to be late
- If a family is continually late to collect their child from care, educators reserve the right to implement a late pick up fee
- Late Pick Up Fees will be charged at \$20 for the first 5 minutes, and \$2 per minute thereafter that a family is late to collect their child

#### **Changing or Ending Care:**

- Families are required to provide two weeks' notice in writing when ending, changing or reducing care arrangements
  - Families can provide this notification via email
  - Educators can also submit a booking change request through Harmony, which can then be verified by the family

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- If a child is absent from care on their last day/s of care with the service full fees will be charged. Under CCSS Rules a service is unable to apply CCS for a child who does not attend care on their last day/s with that service
- Families after additional care days will be placed on the internal Waiting List, once a vacancy becomes available families will be notified.
- Care days can only be increased when the educator has vacancies

**Continual Monitoring and Improvement:**

Continual improvement and monitoring will occur in the following ways:

- Incidental and planned consultation with families
- Approved Provider and Co-ordination Staff accessing current relevant information
- Approved Provider, Co-ordination Staff and Educators accessing current and relevant training
- Internal evaluation of incidences and the improvement of systems

### Harmony and Harmony Web Processing Procedures

<b>Service Role</b>	<b>Educator Role</b>
<p><b>Daily Attendance Record</b> Monitor children’s signature data via Harmony on a Daily Basis</p>	<p><b>Daily Attendance Record</b> Ensure that all children in attendance each day are signed in and out of Care via the Harmony Web signature with an approved Guardian’s PIN. If an Educator signs on behalf of a Parent with their Educator PIN, a reason must be stated in the comment box</p>
<p><b>Weekly Attendance Submission</b> Check each Attendance record as it comes in and submit to CCS when correct or return to Educator for correction.  Attendance records checked for compliance in accordance with the Child Care Provider Handbook Version 1.0, May 2018</p>	<p><b>Weekly Attendance Submission</b> Via the Processing Tab in Harmony Web check and complete each Child’s Timesheet( including children not eligible for CCS), ensuring Booked Hours, Charged Hours, Fees Absences and Closures have been recorded accurately. Ensure the parent signs the timesheet with their PIN upon collection on their last day of care or via Remote Signature Access Submit Timesheets to CCEL by 4pm every Monday.</p>
<p><b>Payment Advices</b></p>	<p><b>Payment Advices</b></p>

Once CCS processing is complete, produce Payment Advices to distribute to Educators and Guardians	Produce and distribute Invoices to Families for payment of fees. Invoicing can be done at any time in accordance with Harmony Web Tip Sheets Collect and receipt fees from families based upon the Payment Advice.
<b>Bank Deposit Advice</b> Produce the bank Deposit Advice and distribute CCS money to Educators minus the service Levy	
<b>Receipts</b> Monitor Educator Receipts via Harmony	
<b>Finalise</b> Finalise the period in Harmony and make any adjustments as required.	

## Tip Sheet - Fee Collection

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### Suggested Practices:

#### Before a family starts:

- Read over the Fee Policy so you are familiar with how and when the family is required to pay their fees
- Confirm with the family their Book Care details:
  - Payment frequency and payment day
- At the initial interview with the family explain:
  - How often Payment Advices and Invoices come out
  - How Payment Advices are given to families – handed to them, in child's bag, near attendance records, emailed
  - When payment is expected – following Friday etc
  - How to pay – provide your bank account details
  - Payment Options – direct deposit only
- Confirm they have read CCEL's Fee Policy and understand it

#### Once a family has started:

- Let a starting family know when their first Payment Advice has been issued and when payment is expected
- To inform families each week that Payment Advices have been issued and when payment is due you could:
  - Put a notice near the Attendance Records, write a reminder on your noticeboard, verbally let families know

- It is your responsibility to collect from families **the whole amount** stated on the Payment Advice, regardless of whether or not they are waiting for benefits
- If a families' benefits have not been applied to their account yet, they still need to pay the exact amount on the Payment Advice until they do come through, otherwise you might be the one who ends up out of pocket
- If a family is late making their fee payment, give them a gentle verbal reminder of when fees were due and that payment would be appreciated
- If you find it hard to ask parents to pay their fees you could write them a note requesting payment, letting them know when fees were due and that prompt payment would be appreciated (having a typed letter that you print off when needed may help)
- Be gentle and patient as sometimes families have simply forgotten or may be having trouble paying and are too embarrassed to let you know
- If payment has not occurred by the time the next Payment Advice is issued talk to CCEL

## Tip Sheet - Setting Fees

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Setting fees is an important part of your Family Day Care Business. There are a few factors you will need to consider in order to help you determine how much to charge per hour for your services.

- How much income do you wish to earn each year?
- Will the income you have set for yourself allow for superannuation payments and income protection insurance?
- How much are your personal expenses?
- How much will your business related expenses be?
- Are you charging a competitive rate?
- What do you offer as a part of your service?

### Ensure your Fees are Competitive

- While making an income is a very important part of determining how much to set your fees at, so too is making sure that your fees are competitive and comparable with other Family Day Care Educators around your area
- There will be many price differences between Family Day Care Educators (as there are between Child Care Centres) and it is good to have healthy competition between Educators and Services
- When setting your fees initially talk with CCEL to get an idea of what is a reasonable market rate at the moment
- Family Day Care does not necessarily need to be a cheaper option to Child Care Centres, just a different option
- If you know other Educators ask what they charge per hour so that you have some comparisons
- Do some research to find out what other FDC Schemes or Child Care Centres in your area are charging and what they include in their fees



- Utilise the government website [www.mychild.gov.au](http://www.mychild.gov.au) to assist you with your research of FDC Fees
- Remember when you set your fees that your hourly rate includes:
  - Parent Levy
  - Educator Levy
  - **The hourly rate that you set needs to take into account that the Parent and Educator Levies are deducted from this amount**
- The amount that you charge will depend on the service that you provide but also the amount that the customers are prepared to pay
- Do you offer extra things at your service that other Family Day Care Educators may not – do you take the children to Playgroup, Library Visits, Do School Drop Offs and Pick Ups, Music Groups
- Do you charge a “Transport Fee” for when you need to take children to School or Pre-School, or is this included in your hourly rate
- Do you adapt your service to families’ needs? For example, do you offer breakfast for early bookings
- What are your qualifications
- Be realistic about what income you would like to earn – after all if families won’t pay your hourly rate because you are too expensive then you will have no income at all
- Be guided by the advice that is offered to you from CCEL about what rate to set your fees at

### **Fee Increases**

- Best practice is to only have fee increases once a year, 1 January or 1 July are the usual times for fee increases and reviews
- Before you increase your hourly rate it is a good idea to look at whether a fee rise is needed and to discuss any increases you are thinking of making with CCEL
- If you do decide to raise your fees you need to make sure that you give families plenty of notice so that they too can budget for the change. 1 months’ notice is generally the norm
- When you give parents notice be firm, and assertive – “This is my new fee schedule that will take effect from (give a date)”

### **How to work out how much you can/will earn**

You can work out roughly how much to charge per hour by using a simple formula of dividing the following:

- Annual Income you would like
- Weeks of work per year
- Number of children (do not count your own)
- Hours per week that you work
- = Hourly Rate

Attached are 2 tables that can help you work out your yearly budget and total income needed, and from this you can gain an indication of what your hourly fee may need to be

### A Guide for Educators to Calculate an Hourly Fee

Either type in monthly figures in the yellow boxes OR the total income required in the blue box

Category	Monthly Amount	Annual Amount
Mortgage or Rent (if applicable)		
Utilities: (Gas/Water/Electricity)		
Motor Vehicle (e.g. fuel, registration, maintenance)		
Home Repairs/Maintenance		
Telephone		
Other Transportation (tolls, bus, train, etc)		
Insurance (e.g. Public Liability, Motor Vehicle, Home and Contents, Income Protection etc)		
Administration (Computer Expenses, Stationery, Office Supplies, Photocopying, etc)		
Excursion and Transport		
Training		
Magazines/Newspapers related to care		
Craft Supplies		
Toys and Equipment (Toys, DVDs, Books, etc)		
Interest Expense (Credit Cards, Fees)		
Subscriptions and Memberships (e.g. FDCA Membership, Journal Subscriptions, Union Membership, Educator Registration)		
Groceries used for care (food, cleaning products, toilet paper)		
Miscellaneous Expenses		
Superannuation, sick leave, annual leave		

GST (if applicable)		
Total Expenses	\$	\$
Additional amount you wish to earn per year		
<b>TOTAL INCOME REQUIRED (add up Annual Column)</b>		\$
<b>Change figures in green to suit your situation</b>		
Total income required divided by weeks working It is a good idea to ensure that you take off 4 Weeks Annual Leave and 2 Weeks Sick Leave from the total for the year	46	
Divided by how many children per hour (do not include your own)	4	
Divided by hours per week	50	
<b>FEE TO CHARGE PER HOUR FOR STANDARD HOURS</b>		\$