

3.7.4

Fee Management Policy

Policy Statement

The Queensland Police-Citizens Youth Welfare Association (PCYC) aims to provide a quality and affordable program for families attending the school age care (SAC) service. In accordance with governance and management responsibilities, representatives of the Approved Provider provide guidance and support to branches and school age care services in relation to the services financial performance, so as to ensure commercial viability and high standards of service delivery. The Branch Manager will, in consultation with the Approved Provider, set fees required for the provision of quality school age care, in keeping with the service's philosophy statement and goals.

1. Scope

- 1.1 The following people must comply with this policy:
 - 1.1.1 Approved Provider
 - 1.1.2 Nominated Supervisor/Responsible Person/Coordinator
 - 1.1.3 Branch Manager
 - 1.1.4 Parents / carers

2. Objectives

- 2.1 PCYC strives to ensure that our services are affordable and accessible to families within the community and that they meet the required expectations around quality. This is achieved through;
 - 2.1.1 Adherence to legislative and statutory requirements.
 - 2.1.2 Financial monitoring including performance reporting, developing and reviewing fee levels in accordance with budget requirement and community expectations.
 - 2.1.3 Advising families of their financial responsibilities with respect to the payment of fees.

3. Definitions

- 3.1 **Additional absence day** is an entitlement for families to receive CCB and CCR for additional absence days once the initial 42 allowable absence days have been used. There is no limit on these days however there may be a requirement to provide documentation to support the absence. *Further information can be found in the resource section below.*
- 3.2 **Allowable absence** is an entitlement for families to receive CCB and CCR, for up to 42 absence days in a year, if their child is unable to attend approved child care and the parent/carer is charged a fee. These can be for any reason and do not require proof however cannot be claimed on the first or last day of attendance. *Further information can be found in the resource section below.*
- 3.3 **Bad debt** refers to a parent account with a debit balance where;
 - 3.3.1 The parent/carer does not comply with the requirements stipulated in a payment plan;
 - 3.3.2 The parent/carer no longer has children attending care at the service
- 3.4 **Centrepay** is a voluntary bill paying service available to families receiving Centrelink payments in which school age care fees can be paid directly to the service on a regular basis from allowances paid to the parent/carer by Centrelink. Consult with the service in relation to the paperwork required to implement this payment method.
- 3.5 **Child Care Benefit (CCB)** is a payment from the Australian Government that helps parents with the cost of child care. Parents can choose to receive CCB as an annual lump sum payment or as reduced child care fees throughout the year. CCB is income tested and families must meet additional other requirements to be eligible for CCB. CCB is usually paid directly to approved Child Care Services to reduce the fees that eligible families pay. *Further information can be found in the resource section below.*
- 3.6 **Child Care Management System (CCMS)** is a national child care computer system that provides details of

Child Care Benefit (CCB) entitlements and child care supply and usage, to families, services and the government

- 3.7 **Child Care Rebate (CCR)** is a payment from the Australian Government in addition to CCB. This rebate covers up to 50% of out-of-pocket costs for child care for families up to a maximum amount, as set by the Australian government, per child, per year and it is not income tested. *Further information can be found in the resource section below.*
- 3.8 An account in **credit** is an account that has a surplus balance covering more than the current week of attendance.
- 3.9 An account in **debit** is an account that has an insufficient balance, where the current week of attendances is not covered.
- 3.10 **Department of Human Services** is an Australian Government Department delivering social and health-related payments and services including Centrelink.
- 3.11 **Direct Debit / Direct Debit Request** is a fully automated, PCI DSS compliant, flexible payment facility utilising a direct debit system. This facility allows parents/carers to have the convenience of regular payments taken automatically from a nominated bank account or credit card to pay SAC fees. Minor set-up and transaction charges are associated with this method of payment and further information is available through the automated application process or at the SAC service.
- 3.12 **External Debt Collection Agency** is a third party provider engaged by PCYC to undertake bad debt management. The external debt collection agency is licensed and is an ISO 9001 Quality Assured company.
- 3.13 **Liquidated damages** are a genuine covenanted pre-estimate of the cost of recovery action.
- 3.14 **Out-of-pocket expenses** are the 'gap' fees parents/carers pay for care, over and above what is covered by the child care benefit (CCB).
- 3.15 **Outstanding / overdue account** is a parent/carer account that is in debit at the end of the current week of attendance.
- 3.16 **Parent payment plan** is developed by the service in conjunction with the parent/carer and provides details of required payments to bring the parent/carer account into a zero or credit balance.
- 3.17 The **Payment Card Industry Data Security Standard (PCI DSS)** is a set of requirements designed to ensure that all companies that process, store or transmit credit card information maintain a secure environment.
- 3.18 *For additional definitions please refer to the Glossary of terms for School Age Care policy*

4. Guiding principles

- 4.1 PCYC's method of payment within SAC services is Direct Debit and EFTPOS.
- 4.1.1 Other payment options may be negotiated on an individual basis with approval from the Branch Manager or Approved Provider only.
- 4.1.1.1 Other possible negotiated methods of payment may include;
- 4.1.1.1.1 Centrepay – via Centrelink.
- 4.1.1.1.2 Cash for Budget Based Funded services ONLY.
- 4.2 PCYC requires all SAC parent/carer accounts to be paid to the end of the current week of attendance, unless prior approval has been granted, in writing, in consultation with the Approved Provider.
- 4.3 For new enrolling families, a bond equivalent to 1 weeks out of pocket expenses MUST be paid prior to attendance and lodged as a bond in the CCMS software.
- 4.4 PCYC reserves the right to refer any bad debt to its appointed external debt collection agency.
- 4.5 PCYC applies sessional fees and as a result hourly fees do not apply.
- 4.6 PCYC requires all children to be collected from the service in accordance with the displayed closing times. If a child is collected after closing time the family may be charged a late fee of \$15/15 minutes or part thereof commencing from the service closing time. This fee will be added to the weekly invoice for the family.
- 4.7 In consultation with the Approved Provide services may charge a non-communication fee where, as a result of a failure to cancel a booking, a parent/carer/emergency contact is required to be contacted to identify the location of a child. The fee, where applicable, will be notified to parents/carers at the time of enrolment. This fee will be added to the weekly invoice for the family.
- 4.8 In consultation with the Approved Provide services may charge an additional fee where vacation care bookings are not received by a nominated and advertised booking cut-off day. The fee and cut-off day, where applicable, will be notified to parents/carers at the time the vacation care program is released. This fee will be added to the weekly invoice for the family.
- 4.9 PCYC requires all children who attend a school age care program to become a member of PCYC and the parent/carer must complete the appropriate form. Membership fees are set by the PCYC Board of Directors each year. It is the responsibility of the Branch Manager or their delegate to ensure PCYC membership forms are completed and that payment is collected.

5. Responsibilities

5.1 Responsibilities of the Approved Provider

- 5.1.1 To ensure that the service has in place policies and procedures in relation to the matters set out in the legislation including-
 - 5.1.1.1 Payment of fees and provisions of a statement of fees charged by the education and care service.
- 5.1.2 To ensure that parents/carers of children enrolled at the service are notified at least 14 days before making any changes to a policy or procedure referred to in the legislation that may have significant impact on-
 - 5.1.2.1 The service's provision of education and care to any child enrolled at the service; or
 - 5.1.2.2 The family's ability to utilise the service
- 5.1.3 To ensure that parents/carers 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.
- 5.1.4 To ensure that all records pertaining to CCB and CCR, including but not limited to paper and electronic/digital records, are retained by the service for at least 36 months from the end of the calendar year in which the relevant care was provided. This requirement extends to records including after a service is closed or no longer under the management of PCYC.
- 5.1.5 To provide guidance to Branch Managers as to the review and setting of service fees.
- 5.1.6 To review, as required, requests for other payment options on an individual Branch and family basis.

5.2 Responsibilities of the Nominated Supervisor / Responsible Person / Coordinator

- 5.2.1 To induct new families into the service and at the time of induction discuss fees, payment expectations and give the family a copy of 3.7.4 POLICY Fee Management.
- 5.2.2 To calculate the out-of-pocket expenses, equal to 1 week's care and provide this to the parent/carer as an estimate prior to the first day of attendance.
- 5.2.3 To collect, for new enrolling families prior to their first day of attendance, a bond equivalent to 1 weeks out of pocket expenses and then lodge this as a bond in the CCMS software
- 5.2.4 To refer families requests for other payment options to the Branch Manager in the first instance and then to the Approved Provider if required.
- 5.2.5 To ensure each parent/carer account is paid in the current week of attendance unless prior approval has been granted, in writing, in consultation with the Approved Provider.
- 5.2.6 To inform families that direct debit payments will be scheduled to be made on the Wednesday of either each week, fortnight or month, as nominated by the parent/carer.
- 5.2.7 To ensure the parent/carer acknowledges and accepts the terms and conditions of the direct debit agreement inclusive of any additional third party fees and charges.
- 5.2.8 To provide parents/carers with an invoice each week, that includes the previous week of attendance and the current week of bookings.
 - 5.2.8.1 Invoices are to be provided for existing accounts with credit, zero and debit balances.
 - 5.2.8.2 Invoices are to be provided for exited accounts with credit and debit balances.
- 5.2.9 To provide each parent/carer with a statement, no less than every 3 months, for all children in respect of whom fee reductions are provided in accordance with the requirements of the Australian Government Department of Education.
- 5.2.10 To monitor parent/carer accounts on a regular weekly basis checking that parent accounts are correct and up to date. This includes ensuring that bookings and submitted attendances are accurate.
- 5.2.11 To keep parents informed about the availability of, and changes to, CCB.
- 5.2.12 To monitor the status of allowable absences per child attending the service and to inform parents/carers of the need to provide documentary evidence of additional absence days once the 42 allowable absences have been used.
- 5.2.13 To ensure that parents/carers of children enrolled at the service are notified at least 14 days before making any changes to a policy or procedure referred to in the 'the legislation' that may have significant impact on-
 - 5.2.13.1 The service's provision of education and care to any child enrolled at the service; or
 - 5.2.13.2 The family's ability to utilise the service.
- 5.2.14 To ensure that parents/carers 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.
- 5.2.15 To ensure that all records pertaining to CCB and CCR, including but not limited to paper and electronic/digital records, are retained by the service for at least 36 months from the end of the calendar year in which the relevant care was provided. This requirement extends to records including

- after a service is closed or no longer under the management of PCYC.
- 5.2.16 To provide information and encouragement to families to direct their CCR payments to the service.
- 5.2.17 To inform families of additional government benefits they may be entitled to receive (subject to eligibility) to reduce out of pocket expenses including;
 - 5.2.17.1 Grandparent Child Care Benefit (GCCB)
 - 5.2.17.2 Jobs, Education and Training Child Care Fee Assistance (JET)
 - 5.2.17.3 Adult Migrant English Program (AMEP)
 - 5.2.17.4 Special Child Care Benefit (SCCB)
- 5.2.18 To discuss with families, develop and implement payment plans should the parent/carer account not meet point 4.2 and ensure written approval and agreement is received from the parent/carer.
- 5.2.19 To refer to the external debt collection agency accounts which are deemed to be a bad debt.
- 5.2.20 To apply, when applicable, a late fee to a family account, as per 4.6 above.
- 5.2.21 To apply, when applicable, a non-communication fee to a family account, as per 4.7 above.
- 5.2.22 To apply, when applicable, an additional charge for a late vacation care booking, as per 4.8 above.

5.3 Responsibilities of the Branch Manager

- 5.3.1 To approve, on an individual basis, requests for other payment options made by families in attendance at the service.
- 5.3.2 To ensure that parents/carers 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.
- 5.3.3 To ensure that all records pertaining to CCB and CCR, including but not limited to paper and electronic/digital records, are retained by the service for at least 36 months from the end of the calendar year in which the relevant care was provided. This requirement extends to records including after a service is closed or no longer under the management of PCYC.
- 5.3.4 To ensure that each child has a current PCYC Membership and that payment, as applicable, is made each year by the parent/carer to maintain this membership as current.
- 5.3.5 To make decisions in relation to the possible suspension of children from care due to non-payment of a parent/carer account.
- 5.3.6 To actively monitor and oversee, in consultation with the Approved Provider and Zone Development Manager, outstanding/overdue accounts and bad debts and ensure service compliance of 3.7.4 POLICY Fee management.

5.4 Responsibilities of the parent/carer

- 5.4.1 To provide written information, upon enrolment, to the service confirming the CCB rate the family is eligible to receive.
- 5.4.2 To actively participate in a service induction at the time of enrolment of their child.
- 5.4.3 To pay all out-of-pocket expenses equal to 1 week's care, prior to the first day of attendance.
- 5.4.4 To regularly access online statements of fees to ensure that the balance of their account always reflects the fee payment policies and procedures of PCYC and is an accurate account of attendances.
- 5.4.5 To correspond with the designated person responsible for account management at the service to notify of any alterations that are required in relation to bookings, cancellations and fee payments prior to deductions being made.
- 5.4.6 To ensure adequate funds are present in the account nominated in the direct debit request so that at the time of processing the payment the payment is not dishonoured.
- 5.4.7 To acknowledge and accept the terms and conditions of the direct debit agreement inclusive of any additional third party fees and charges.
- 5.4.8 To adhere to the requirements of the direct debit request service agreement, including but not limited to, the payment of transaction and dishonour fees or any other error related to the account of the parent/carer where the error lies with the parent/carer.
- 5.4.9 To adhere to the PCYC requirements regarding cancellation of session time-frames as per 3.7.6 PROCEDURE Bookings and cancellations.
 - 5.4.9.1 These time-frames are set by the Approved Provider in consultation with services.
- 5.4.10 To pay all fees (including excursion fees) of the days their child is successfully enrolled (excluding when a cancellation has been made in accordance with PCYC cancellation requirements), regardless of whether their child is enrolled but does not attend.
- 5.4.11 To ensure that the account for their child is paid by close of business Friday in the current week of attendance.
- 5.4.12 To pay, as a new enrolling family, a bond equivalent to 1 weeks out of pocket expenses, prior to the first day of attendance.
- 5.4.13 To actively participate in discussions relating to the development and implementation of payment

- plans should their account not meet point 5.4.11.
- 5.4.14 To notify the service of any changes relating to the application of the multi-child percentage e.g. when additional children in the care of the parent/carer commence care with another provider.
- 5.4.15 To notify the service, where the parent/carer receives CCB as a fee reduction, when their child has used their initial 42 allowable absence days.
- 5.4.16 To pay, where applicable, costs incurred as a result of the late collection of their child from the service.
- 5.4.17 To pay, where applicable, costs incurred as a result of failing to communicate a non-attendance of their child with the service.
- 5.4.18 To pay, where applicable, costs incurred as a result of booking their child into vacation care after the nominated cut-off date.
- 5.4.19 To pay, when the parent/carer account is referred to external debt collection, the PCYC costs and disbursements incurred in pursuing any recovery action, or any claim or remedy including liquidated damages and legal costs on an indemnity basis.
- 5.4.20 To pay, when the parent/carer account is referred to external debt collection, for all costs incurred by the supplier relating to any default on the payment of the account.

6. **Procedures**

- 6.1 See 3.7.4PrFM – PROCEDURE Fee management

Document	3.7.4PFM
Version No.	V2.0
Summary	This policy details requirements for services in relation to fee management
Created by	SAC Policy Team
Approved by	CEO
Issue date	May 2017
Effective date	May 2017
Reviewed date	September 2016
Next review date	May 2018
Changes made in review	May 2017 Bring into line with company policy template Changes to payment options and payment schedule Introduction of a bond for new enrolling families

7. **Legislation**

- *Education and Care Services National Law Act 2010*
- *Education and Care Services National Regulations 2011*
- *Education and Care Services Act 2013*
- *Education and Care Services Regulations 2013*
- *A New Tax System (Family Assistance) Act 1999*
- *A New Tax System (Family Assistance) (Administration) Act 1999*
- *Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Act 2007*
- *Family Assistance Legislation Amendment (Child Care Budget and Other Measures) Act 2008*
- *Family Assistance Legislation Amendment (Child Care) Act 2010*
- *Schedules 5 and 6 to the A New Tax System (Family Assistance and Related Measures) Act 2000*
- *Privacy Act 1988*
- National Quality Standards
- Child Care Services Handbook 2013-2014 (this also includes any later editions or replacement documents).

8. **Related QPCYWA Policy and Documents**

- Fee Calculator
- Instructions for bonds
- 3.7.2 POLICY Enrolment and Orientation
- 3.7.6 POLICY Bookings and cancellations
- 3.7.6 PROCEDURE Bookings and cancellations
- School age care fee increase letter
- Payment plan letter template
- Outstanding/Overdue account letter templates

- Marshall Freeman letter
- 3.7.4 SOP Fee Management – At the time of enrolment
- 3.7.4 SOP Fee Management – Weekly
- 3.7.4 SOP Fee Management – Outstanding/overdue account

9. **Resources**

- Australian Government Department of Human Services
<http://www.humanservices.gov.au/customer/services/centrelink/child-care-benefit>
- Australian Government MyChild.gov
<http://www.mychild.gov.au/childcare-information/benefit>
- Information for families using childcare: Fact Sheet 9 Absences from child care, Child Care Benefit (CCB) and Child Care Rebate (CCR)
<https://docs.education.gov.au/node/3206>
- Exited enrolments and HubDebit - PCYCQ-HubDebitandExitedFamilies-DebitingSafeguardSteps