

FEE AND DEBT MANAGEMENT POLICY



POLICY STATEMENT

Reid Early Childhood Centre (RECC) is a not for profit organisation and the Management Committee aims to keep fees as low as possible for families whilst ensuring that the centre provides high quality care for our children and remains in a strong financial position. Fees are RECC's main source of income and are required to cover our operating costs as well as provide for necessary reinvestment in the centre.

This Policy is required under regulation 168(2)(n) of the *Education and Care Services National Regulations 2011* and describes the payment of fees and provision of a statement of fees charged by the centre.

CHILDCARE FEES

Children under 3 years of age

Daily \$100.00

Weekly \$450.00 (10% discount)

Children 3 years of age and over

Daily \$95.00

Weekly \$427.50 (10% discount)

Families are required to pay fees for all weekdays of the year (including public holidays when the centre is closed) with the exception of a two week shutdown period over Christmas and scheduled 'pupil free' days (used for centre planning and staff development).

The Management Committee reviews fees on an annual basis and adjusts them as required. In accordance with regulation 172(2) of the *Education and Care Services National Regulations 2011*, parents of children enrolled at RECC will be notified at least 14 days before making any change that will affect the fees charged or the way in which fees are collected. This notification will occur via email; written notice will also be placed on the centre noticeboard.

CHILD CARE REBATE AND CHILD CARE BENEFIT

Parents/guardians may be eligible for fee assistance from the Australian Government via the Child Care Rebate (CCR) and/or the Child Care Benefit (CCB). If a portion of fees is usually paid by the Government and your assistance is reduced or stopped for any reason, all fees including those normally covered by CCB and CCR are the responsibility of the family.

In addition, families experiencing hardship may be eligible to access additional fee assistance from the Australian Government through the Special Child Care Benefit, refer to [DHS](#) for further information.

METHOD OF PAYMENT

Fees may be paid by either direct debit or credit card. We encourage direct debit where possible. Cash and cheques are not accepted.

CREDIT CARD FEE

At February 2017, a credit card surcharge of 2% for MasterCard and Visa transactions and 3% for American Express transactions applies. From September 2017, these rates may change consistent with the Reserve Bank of Australia's *Payment Systems (Regulation) Act 1998 Standard No. 3 of 2016 "Scheme Rules Relating to Merchant Pricing for Credit, Debt and Prepaid Card Transactions"*.

WAITING LIST FEE

A non-refundable fee of \$30 per family is required to join our waiting list. Once this fee and the application form have been received you will be placed on the waiting list and notified when a place for your child becomes available. Joining the waiting list does not guarantee a place at the centre.

BOND

When accepting a place at RECC we require the payment of a bond to guarantee the position and start date for your child. The amount of the bond will be equal to the full cost of two weeks care (i.e. no Government fee assistance will be applied), unless your initial placement is only one day per week in which case your bond will be the full cost of four days care.

The bond is held in a separate bank account during your time at RECC. It will be refunded once the final account is settled.

RE-ENROLMENT FEE

If you re-enrol a child within three months of leaving the centre a re-enrolment fee of \$200 may apply.

ISSUE OF ACCOUNTS

RECC fees are due weekly in arrears. Accounts are issued each Monday for the coming week of care, with the amount due in full by Friday. Accounts will be considered overdue if they have not been paid in full by the due date.

As fees are due weekly, if you opt to pay fortnightly you must ensure that your payments are in advance to avoid an overdue account.

LATE PAYMENT FEES

A Late Payment Fee may be applied to overdue accounts (refer to "Debt Management" below). A Late Payment Fee of \$15 applies once the account is one week overdue. A further late payment fee will be applied when the account is four weeks overdue.

DEBT MANAGEMENT

Management of overdue accounts places a large administrative burden on the centre. For this reason parents are strongly encouraged to pay their fees on time and a Late Payment Fee may be charged for overdue accounts.

Once an account is overdue the parent/guardian will be notified by email and asked to immediately pay the account in full.

If an account becomes more than one week overdue a Late Payment Fee of \$15 will be added to the account and the parent will be advised via email that:

- the account must be paid in full;
- a Late Payment Fee of \$15 has been added to the account; and
- failure to pay the account in full will jeopardise the child/ren's place at the centre.

If an account becomes four weeks overdue the parent will be advised that:

- the account must be paid in full within seven days or the child/ren's place at the centre will be forfeited without further notice;
- a further Late Payment of \$15 has been added to the account, and every four weeks thereafter for the duration of the overdue account; and
- if the debt is not recovered by the centre within seven days the account may be referred to a debt collection agency whose fees will be added to the overdue account.

This advice will be provided via telephone and confirmed in an email. If the parent cannot be reached via telephone after three attempts an email will be sent instead.

RECC understands that from time to time, some of our families may experience financial distress that will impact on their ability to meet their child care fee commitments. We encourage families to discuss any concerns about their ability to pay child care fees with the centre Director. By raising any concerns early, the Director is able to advise on possible options for the family, which may include eligibility for additional Commonwealth child care fee assistance (such as the Special Child Care Benefit) and/or negotiating a payment plan to bring child care fees up to date.

If a family's account is regularly overdue (four or more invoices are paid late over a six month period, or less) you may receive written warning that unless your account is kept up to date your child's place at the centre may be forfeited.

RELATED POLICIES:

Arrivals, departures and access to the centre

Grievances and complaints

SOURCES:

Education and Care Services National Regulations 2011