

ARMIDALE & DISTRICT FAMILY DAY CARE

Policy for Setting & Payment of Fees & Provision of Statements

Related documentation Policy/policies: Regulation/s/ Standards: Related procedures: References:	Code of Conduct Inclusion Policy National Regulations 168, 170, 171 & 172 NQS 7.1.3 Dept. of Education Childcare Provider Handbook Management of Records NSWFDCA Educator Induction Package AFDC Business Training Module
Date effective	August 2018
Date for review	August 2020
Purpose/s	To ensure that: <ul style="list-style-type: none"> • AFDC Educators are aware of their obligations in relation to fee setting, fee charging and invoicing; • Families are aware of their obligations in relation to payment of fees, and • AFDC is compliant with all relevant Australian Government legislation.
Responsibility	AFDC Board of Directors, Management, Educators and families.

Key information:

- As the operator of an approved Family Day Care service, AFDC is responsible for managing all aspects of the service's operations, including the management of fee setting, fee payment, invoicing and reporting practices.
- As service operator, AFDC's Board of Directors is responsible for ensuring that AFDC's Management, staff and Educators comply with this Policy
- AFDC is required to report to the Child Care Subsidy System the total hourly fee charged to individuals who enrol their children with the service, any change to the fee information, the start and end dates of the statement period and the hourly fee for each session of care provided.

Payment of Fees

- The fees Educators charge families must be a *real fee*, that is a fee which the family is liable to pay. AFDC must not report a fee to the Child Care Subsidy System unless the family is liable to pay that fee under their Compliant Written Agreement.
- If a family is receiving Additional Child Care Subsidy (ACCS), Educators must not charge that family a higher or lower fee than the family would have been charged if the family were not eligible for ACCS.
- AFDC must pass on the full amount of fee reductions to Educators and/or families within fourteen days of the service being notified of the amount of those fee reductions by the Child Care Subsidy System.

Provision of Statements to Families

- AFDC must provide each family with fortnightly Payment Advices detailing their child care usage, fees and Child Care Subsidies paid to Educators on their behalf. Statements must contain the following:
 - Name of Service;
 - CCS Approval ID;
 - Australian Business Number;
 - Family Name;
 - Names of children in respect of whom care was provided;
 - Absence count;
 - Weekly total hours of care, and
 - Date of issue.

Fee Setting

- Educators should develop an individual fee schedule, which will identify:
 - Educator name;
 - Australian Business Number;
 - Date the Fee Schedule became effective;
 - Hourly rates for booked hours of care by category (core hours, out of core hours, before and after school and public holiday care);
 - Hourly rates for casual and emergency care;
 - Minimum booked hours for which care is provided;
 - Individual Educator conditions (early late fees, late payment of fees, nappies, food, etc).
- Educators may charge families normal fees for absences from booked hours of care, including public holidays, annual leave and sick leave.

- Educators must **not**:
 - Charge fees for hours upon which they are not available to work;
 - Charge fees for a child who is not registered with AFDC;
 - Charge fees for a grandchild who resides in the Educator's home, unless approval has been granted by the Dept. of Human Services.

Amendments and Variations to Fee Schedules

- Educators must provide Management and families with four weeks' written notice of their intention to vary and/or amend their individual fee schedule.

Invoicing and Receipting Families

- Educators must provide families with invoices or statements of account fortnightly at a minimum.
- Invoices may be issued in the following ways:
 - directly from the Educator's Payment Advice;
 - through the Educator's software package;
 - manually entered into a generic Invoice book, or
 - through printed or emailed Invoice templates.
(Sample attached as Appendix A)
- Families must not be invoiced:
 - via Facebook;
 - in a text message, or
 - via informal notes.
- Educators will issue receipts to all families for monies received.

Surety Deposits (Bonds)

- It is recommended that educators charge families a surety deposit proper to the commencement of care to protect against non-payment of fees;
- The surety deposit may be the equivalent of one to two weeks total cost of care;
- Receipts must be given for surety deposit collected;
- Surety deposits must be refunded to the family upon cessation of care and settlement of the family's account;
- If the surety deposit is called a "bond", it should be lodged in a specific trust account.

Coordination Unit Enrolment Procedures

- AFDC Management and staff will not enter into discussions with families about the value of an individual Educator's service;
- If a family declines to use care due to the Educator's fee schedule, management may choose to inform the Educator of this decision.