

## ARMIDALE & DISTRICT FAMILY DAY CARE

### *Payment of Fees/Provision of Statement/Fee Setting Policy*

<p><b>Related documentation Policy/policies:</b></p> <p><b>Regulation/s/ Standards:</b></p> <p><b>Related procedures:</b></p> <p><b>References:</b></p>	<p>Code of Conduct; Inclusion Policy</p> <p>Education and Care National Regulations 168, 170, 171 &amp; 172</p> <p>National Quality Standards 7.3.1 &amp; 7.3.2</p> <p>Management of Records</p> <p>Australian Government Childcare Handbook 2020</p> <p>My Home, My Business. A Business Handbook for Family Day Care Services. Dorrat, L and Nicolson</p> <p>AFDC Business Training Module</p>
<b>Date effective</b>	November 2023
<b>Date for review</b>	November 2024
<b>Purpose</b>	<p>To outline AFDC’s responsibilities, under Family Assistance Law, for the management of AFDC’s Fee Structure;</p> <p>To provide guidance to Educators regarding their Fee Setting practices, and</p> <p>To ensure families are aware of their obligations in relation to the payment of fees.</p>
<b>Responsibility</b>	AFDC Directors, Management and Educators.

#### **Key information**

As approved provider of Armidale Family Day Care, the Board and Management is responsible for the management of all aspects of service operations.

The Australian Government requires AFDC to ensure that all families are making a contribution to their child care fees – the “gap fee”. AFDC is required to use our best endeavours to ensure that Child Care Subsidy is being paid only for eligible sessions of care, that AFDC is actually collecting the gap fee and that all financial transactions are transparent. The decisions have been made to prevent fraud and non-compliance.

#### **Responsibilities**

##### **AFDC is responsible for:**

- Setting AFDC’s fee perimeters.
- Ensuring that AFDC Educators set their fees within these perimeters and comply with requirements of this policy.
- Ensuring that families pay their gap fees on a regular basis.
- Reporting AFDC’s fee perimeters to the Commonwealth on a weekly basis.
- Accurately report session reports to the Commonwealth fortnightly through Harmony software.

### **AFDC's Fee Perimeters**

AFDC's Fee Perimeters are as follows:

Booked Hours of Care	\$9.60 per hour to \$16.60 per hour.
Casual Care	\$9.60 per hour to \$17.60 per hour
Before and After School Hours Care	\$9.60 per hour to \$17.60 per hour
Weekend and Out of Core Hours Care	\$9.60 per hour to \$24.60 per hour
Public Holiday Care	\$9.60 per hour to \$36.60 per hour

### **Procedures for the Payment of Fees:**

Upon enrolment, all families using AFDC must provide a signed authority for redPAY to debit their child care fees from a nominated account on a fortnightly basis.

AFDC must not report a fee to the Child Care Subsidy System unless the family is liable to pay that fee under a Compliant Written agreement with AFDC.

AFDC must pass on full amount of fee reduction amounts to families within 14 days of the service being notified of the amount by Child Care Subsidy System.

AFDC Management will terminate care arrangements for any family whose redPAY direct deposit payments are consistently declined.

AFDC Management will take legal action for the recovery of all defaulted child care fees, the cost of which will be borne by the family.

AFDC Educators will charge families normal fees for all absences from booked hours of care, including Public Holidays, Annual Leave and Sick Leave Absences.

AFDC Educators are not required to provide care on Public Holidays. If a child's usual booked care day falls on a Public Holiday, the normal fee applies.

Both families and Educators must provide two weeks' notice of their intention to cancel care, and days of absence cannot be used in lieu of notice.

AFDC Educators must provide families with a copy of their Fee Schedule and request them to sign and acknowledge it prior to the commencement of care.

Educators must give four weeks' notice to families and Management in writing of their intention to vary their fees via an amended Fee Schedule.

### **Educator Fee Schedules:**

Educators should develop an independent fee schedule applicable to their service. The fee schedule should identify:

- The Educator to whom it applies.
- The Educator's address and contact telephone number.
- The Educator's Australian Business Number.
- The date upon which the Fee Schedule becomes effective.
- An hourly rate for booked hours of care during core hours (8am - 6pm).

**Provision of Statements of Child Care Usage to families:**

AFDC must provide each family using our service with a statement of their child care usage on a fortnightly basis. All families have an entitlement to be informed about their use of care, how much it costs and how much financial assistance they are getting from the Australian Government.

**AFDC Coordination Unit Responsibilities:**

- AFDC will provide all Educators with a Payment Advice fortnightly through *Harmony* software, upon the successful processing of Child Care Subsidy.
- AFDC will deposit Child Care payments into Educators' nominated bank accounts as soon after CCS processing as practicable.
- AFDC will invoice all families as soon as practicable after the finalisation of the care period.
- AFDC will provide Educators with Payment Histories quarterly following the processing of the final fortnight of the quarter.
- AFDC will provide all Educators, active and archived, with Payment Histories and Recipient Created Tax Invoices as soon practicable after the 30th of June annually.

**Communication:**

- AFDC Management and staff will not enter into discussions with families in relation to the value of an individual Educator's service.
- If a family declines care due to the costs involved in an Educator's Fee Schedule, management may choose to inform the Educator of this decision.