

## ARMIDALE & DISTRICT FAMILY DAY CARE

### *Policy for Setting and Payment of Fees*

<b>Related documentation Policy/policies:</b>	Code of Conduct; Inclusion Policy
<b>Regulation/s/ Standards:</b>	Education and Care National Regulations 168, 170, 171 & 172 National Quality Standards 7.3.1 & 7.3.2
<b>Related procedures:</b>	Management of Records
<b>References:</b>	Australian Government Childcare Handbook 2020 My Home, My Business. A Business Handbook for Family Day Care Services. Dorrat, L and Nicolson AFDC Business Training Module
<b>Date effective</b>	December 2024
<b>Date for review</b>	December 2027
<b>Purpose</b>	To outline AFDC’s responsibilities, under Family Assistance Law, for the management and reporting of childcare fees. To provide guidance to Educators regarding their Fee Setting practices, and To ensure families are aware of their obligations in relation to the payment of fees.
<b>Responsibility</b>	AFDC Directors, Management and Educators.

#### Key information

As approved provider of Armidale Family Day Care, the Approve Provider and Management is responsible for the management of all aspects of service operations and is required by the Australian Government to use our best endeavours to ensure that all families are making a contribution to their child care fees – the “gap fee” and that all financial transactions are transparent and available for audit.

AFDC is also required to ensure that Child Care Subsidy is being paid only for eligible sessions of care and that the administration of Child Care Subsidy is conducted honestly.

#### AFDC’s Fee Parameters

AFDC’s Fee Parameters are as follows:

Booked Hours of Care	\$12.80 per hour to \$17.80 per hour.
Casual Care	\$12.80 per hour to \$17.80 per hour
Before and After School Hours Care	\$12.80 per hour to \$17.80 per hour
Weekend and Out of Core Hours Care	\$12.80 per hour to \$24.80 per hour
Public Holiday Care	\$21.80 per hour to \$28.80 per hour

## Responsibilities

### AFDC Management is responsible for:

- Setting AFDC's fee perimeters in consultation with the Approved Provider.
- Ensuring that AFDC Educators set their fees within these perimeters and comply with requirements of this policy.
- Using their best endeavours to ensure that families pay their gap fees on a regular basis.
- Reporting AFDC's fee perimeters to the Commonwealth on a fortnightly basis.
- Accurately reporting sessions of care to the Commonwealth fortnightly through Harmony software.
- Not reporting a fee to the Child Care Subsidy System unless the family is liable to pay that fee under a Compliant Written agreement or Provider Eligible Arrangement with AFDC.
- Provide all Educators with a Payment Advice fortnightly through *Harmony* software upon the successful processing of Child Care Subsidy.
- Depositing Child Care payments into Educators' nominated bank accounts as soon after CCS processing as practicable.
- Passing on full amounts of fee reduction amounts to families within 14 days of the service being notified of the amount by Child Care Subsidy System.
- Providing all families using care with a Payment Advice and Statement of Child Care Usage on a fortnightly basis.
- Processing families' redPAY direct debit transactions as soon as practicable after the finalisation of the care period.
- Providing Educators with Payment Histories quarterly following the processing of the final fortnight of the quarter.
- Providing all Educators, active and archived, with Payment Histories and Recipient Created Tax Invoices as soon practicable after the 30th of June annually.

### Families are responsible for:

- Reading AFDC's Family Handbook and ensuring that they are familiar with Child Care Subsidy legislation.
- Payment of AFDC's \$50.00 Enrolment Fee upon registration.
- Signing a copy of their Educator's Fee Schedule.
- Acknowledging that the payment of all child care fees is mandatory.
- Providing AFDC with a signed authority for redPAY to debit their child care fees from a nominated account on a fortnightly basis.
- Ensuring that sufficient funds are available in their nominated account to cover fortnightly family gap fees.
- Providing Educators with two weeks' notice of their intention cancel care.

### Educators are responsible for:

- Developing 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).
  - Hourly rates for non-core hours care as offered.

- Providing families with a copy of their Fee Schedule upon interview and requesting them to sign and acknowledge it prior to the commencement of care.
- Only reporting sessions of care for which families are legitimately required to pay.
- Charging families normal fees for all absences from booked hours of care, including Public Holidays, Annual Leave and Sick Leave Absences. (*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.*)
- Ensuring that families sign children into and out of care daily and approve weekly session reports at the end of each care week.
- Providing families with two weeks' notice of their intention to cancel care.
- Notifying the Coordination Unit of first day absences and absences from which children do not return to care for 98 days.
- Providing AFDC management and families with four weeks' notice of their intention to vary their fees via an amended Fee Schedule.

### **Non-Payment of Fees**

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.

### **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 to enrol their child with a particular Educator due to the Educator's Fee Schedule, management may choose to inform the Educator of the reason for the family's decision.