

## FEES POLICY

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| Version                                | V1.2                                     |
| NQF Requirement                        | Quality Area 7 – Mandatory               |
| Approvers<br>(Committee of Management) | President<br>Treasurer<br>Vice President |
| Approved                               | 5 August 2018                            |
| Scheduled for review                   | 5 August 2020                            |

### PURPOSE

This policy will provide clear guidelines for:

- the setting, payment and collection of fees for children enrolled at Highgate Early Learning Centre (ELC)
- ensuring the viability of Highgate ELC, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Highgate ELC.

### POLICY STATEMENT

#### Values

Highgate ELC is committed to:

- providing responsible financial management of the service, including establishing fees that will result in a financially viable service, while keeping attendance fees at the lowest possible level
- providing a fair and manageable system for dealing with non-payment and/or inability to pay fees/outstanding debts
- ensuring there are no financial barriers for parents/guardians wishing to access an early childhood program for their child/children
- maintaining confidentiality in relation to the financial circumstances of parents/guardians
- advising parents/guardians of the service about program funding, including government support and fees to be paid by parents/guardians
- providing equitable access for parents/guardians eligible for the Kindergarten Fee Subsidy.

#### Scope

This policy applies to the Approved Provider, Nominated Supervisor, Certified Supervisor, educators and parents/guardians with an enrolled child, or who wish to enrol a child at Highgate ELC.

## PROCEDURES

### **The Approved Provider (Highgate Committee of Management) is responsible for:**

- reviewing the current budget to determine fee income requirements
- developing a fee policy that balances the parent's/guardian's capacity to pay, with providing a high-quality program and maintaining service viability
- implementing and reviewing this policy in consultation with parents/guardians, the Nominated Supervisor and staff, and in line with the requirements of Department of Education and Training's (DET's) *The Kindergarten Guide* (refer to *Sources*)
- ensuring that this policy is based on the principles of the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*)
- considering any issues regarding fees that may be a barrier to parents/guardians enrolling at Highgate ELC and removing those barriers wherever possible
- reviewing the number of parents/guardians experiencing financial hardship and the effectiveness of the procedures for late payment and support offered
- considering options for payment when affordability is an issue for parents/guardians
- clearly communicating this policy and payment options to parents/guardians in a culturally-sensitive way, and in the family's first language where possible
- providing all parents/guardians with a copy of the document containing fee information for parents/guardians (refer to Attachment 1)
- providing all parents/guardians with a statement of fees and charges upon enrolment of their child, and ensure that the *Fees Policy* is readily accessible at the service (Regulation 171)
- providing all parents/guardians with a fee payment agreement
- collecting and receipting all fees
- collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions, where applicable
- complying with the service's *Privacy and Confidentiality Policy* regarding financial and other information received, including in relation to the payment/non-payment of fees
- notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected (Regulation 172(2))
- ensuring a notice outlining fees charged by the service is displayed prominently in the main entrance to Highgate ELC.

### **The Nominated Supervisor (person with management or control, generally service director) is responsible for:**

- assisting the Approved Provider in developing this policy, and ensuring that this policy is based on the principles of the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*)
- implementing and reviewing this policy, in consultation with parents/guardians, the Approved Provider and staff, and in line with the requirements of DET's *The Kindergarten Guide* (refer to *Sources*)
- considering any issues regarding fees that may be a barrier to parents/guardians enrolling at Highgate ELC and removing those barriers wherever possible
- considering options for payment when affordability is an issue for parents/guardians
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- complying with the service's *Privacy and Confidentiality Policy* regarding financial and other information received, including in relation to the payment/non-payment of fees
- notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected
- ensuring a notice outlining fees charged by the service is displayed prominently in the main entrance to Highgate ELC.

**Certified Supervisors and other educators are responsible for:**

- informing the Approved Provider of any complaints or concerns that have been raised regarding fees at the service
- referring parents'/guardians' questions in relation to this policy to the Approved Provider
- assisting the Approved Provider, as required, in sighting supporting documentation for access to the Kindergarten Fee Subsidy.

**Parents/guardians are responsible for:**

- reading the Highgate ELC Fee information for parents/guardians (refer to Attachment 1), the Fee Payment Agreement and the Statement of Fees and Charges
- signing and complying with the Fee Payment Agreement
- notifying the Approved Provider if experiencing difficulties with the payment of fees
- providing the required documentation to enable the service to claim the Kindergarten Fee Subsidy for eligible parents/guardians (refer to Attachment 1 – Fee information for parents/guardians).

## **EVALUATION**

In order to assess whether the values and purposes of the policy have been achieved, the Approved Provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness, particularly in relation to affordability, flexibility of payment options and procedures for the collection of fees
- monitor the implementation, compliance, complaints and incidents in relation to this policy
- monitor the number of parents/guardians/children excluded from the service because of their inability to pay fees
- keep the policy up to date with current legislation, research, policy and best practice
- revise the policy and procedures as part of the service's policy review cycle, or as required
- notify parents/guardians at least 14 days before making any changes to this policy or its procedures (Regulation 172(2)).

## BACKGROUND AND LEGISLATION

### Background

The DET provides per capita funding as a contribution towards the costs of the four-year-old kindergarten program. Income from other sources, primarily fees, is required to meet all the additional costs incurred by the service in the delivery of the children’s program. In addition, the Kindergarten Fee Subsidy (refer to *Definitions*), enables eligible parents/guardians to attend the four-year-old kindergarten program at minimal or no cost.

DET also funds eligible three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs as outlined in *The Kindergarten Guide* (refer to *Sources*).

DET requires that funded services have a comprehensive written fees policy in place, and the content of this policy must be communicated to parents/guardians. The policy must include a written statement about the fees to be charged, as required under Regulation 168(2)(n), and the payment process. All parents/guardians must be informed of applicable term and annual fees at the time of enrolment. Services must also advise eligible parents/guardians of the Kindergarten Fee Subsidy arrangements. The fees charged must comply with the *Kindergarten Fee Subsidy – Fees Policy* (refer to *Definitions*), and be responsive to the local community and the viability of the service. *The Kindergarten Guide* (refer to *Sources*) outlines the criteria to be covered in the policy.

### Legislation and standards

Relevant legislation and standards include but are not limited to:

- *Charter of Human Rights and Responsibilities 2006* (Vic)
- *Child Wellbeing and Safety Act 2005* (Vic)
- *Disability Discrimination Act 1992* (Cth)
- *Education and Care Services National Law Act 2010*
- *Education and Care Services National Regulations 2011*: Regulation 168(2)(n)
- *Equal Opportunity Act 1995* (Vic)
- *National Quality Standard*, Quality Area 7: Leadership and Service Management
  - Standard 7.3: Administrative systems enable the effective management of a quality service

The most current amendments to listed legislation can be found at:

- Victorian Legislation – Victorian Law Today: <http://www.legislation.vic.gov.au/>
- Commonwealth Legislation – ComLaw: <http://www.comlaw.gov.au/>

## DEFINITIONS

The terms defined in this section relate specifically to this policy. For commonly used terms e.g. Approved Provider, Nominated Supervisor, Regulatory Authority etc..

**Approved care:** Care given by a service provider that has been approved by the Family Assistance Office (FAO) to receive Child Care Subsidy payments on behalf of eligible parents/guardians. Most long day care, family day care, before-and-after school care, vacation care, some occasional care and some in-home care childcare services are approved providers. Details are available at: [www.humanservices.gov.au/customer/services/centrelink/child-care-benefit](http://www.humanservices.gov.au/customer/services/centrelink/child-care-benefit)

**Child Care Subsidy (CCS):** A Commonwealth Government payment to help parents/guardians who use either approved or registered childcare services. Details are available at:

<https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>

**Early Start Kindergarten:** A funding program that enables three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection to attend a kindergarten program that is planned and delivered by an early childhood teacher for a specific number of hours. Details are available at: <http://www.education.vic.gov.au/about/programs/learningdev/Pages/default.aspx>

**Fees:** A charge for a place within a program at the service.

**Health Care Card:** A Commonwealth Government entitlement providing concessions for low-income earners and other eligible people. Details are available at:

[www.humanservices.gov.au/customer/services/centrelink/health-care-card](http://www.humanservices.gov.au/customer/services/centrelink/health-care-card)

**Funded Kindergarten fee deposit:** A charge to secure a place that has been offered in the four year old funded program at the service. This is refunded to parents/guardians at the beginning of Term 2.

**Late collection charge:** A charge that may be imposed by the Approved Provider when parents/guardians are late to collect their child/children from the program (refer to Attachment 1 – Fee information for parents/guardians).

**Kindergarten Fee Subsidy:** A subsidy paid to the Approved Provider to promote participation by enabling eligible children to attend a funded kindergarten program free of charge in the year before school.

## SOURCES AND RELATED POLICIES

### Sources

- *The Kindergarten Guide (Department of Education and Early Childhood Development)* is available under *early childhood / service providers* on the DET website: [www.education.vic.gov.au](http://www.education.vic.gov.au)
- The constitution of Highgate ELC

### Service policies

- *Complaints and Grievances Policy*
- *Delivery and Collection of Children Policy*
- *Enrolment and Orientation Policy*
- *Excursions and Service Events Policy*
- *Inclusion and Equity Policy*
- *Privacy and Confidentiality Policy*

## ATTACHMENTS

- Attachment 1: Fee information for parents/guardians

## ATTACHMENT 1

### Fee information for parents/guardians

#### 1. How fees are set

As part of the budget development process, the Approved Provider (Highgate Committee of Management or CoM) sets fees each financial year for the programs of Highgate Early Learning Centre (the service), taking into consideration:

- the financial viability of the service
- the level of government funding provided for the program, including the Kindergarten Funding
- the availability of other income sources, such as grants
- the fees charged by similar services in the area
- the capacity of parents/guardians to pay fees
- reasonable expenditure in meeting agreed program quality and standards
- requirements of the *Kindergarten Fee Subsidy – Fees Policy* (details in the *The Kindergarten Guide*: (Department of Education and Training, DET) available under *early childhood / service providers* on the DEECD website: [www.education.vic.gov.au](http://www.education.vic.gov.au))

The CoM sets fees toward the start of each new financial year (i.e. 1 July). Parents/guardians will be provided at least 14 days' notice of any change to fees. Parents/guardians can provide feedback in relation to fees to the Nominated Supervisor (Highgate Director)

#### 2. Other charges

Other charges levied by the service are included on the Statement of Fees and Charges. These include:

- **Application for Entry Fee:** To make an application for a place at the service, a non-refundable Service and Administration Fee will be charged. This fee applies to every application for care, on a per child basis, made to the service. The amount of this fee will be reviewed annually by the CoM and adjusted if required.
- **Funded Kindergarten fee deposit:** This payment secures a child's place at the service and is payable on acceptance of enrolment. The deposit is refunded to parents at the beginning of Term 2, as long as the child continues to be enrolled in the funded program. Parents/guardians experiencing hardship should also discuss any difficulties with the service.
- **Enrolment Fees:** When a place at Highgate has been accepted the parent/guardian is required to pay a bond equivalent to two weeks fees in advance, plus an Active Contribution Levy by the date indicated on the letter of offer (See below for details of the Active Contribution Levy). This will secure the child's place at the service. If these fees are not paid by the stated due date then the offer of a place will automatically lapse. If a parent/guardian secures a place at the service for their child and then cancels or reduces the number of days required prior to commencing, the service will retain the fee bond as a cancellation fee if the centre is unable to secure enrolment for another child within the required time frame.

The service will hold the two weeks of childcare fees that are paid in advance as a bond. This bond will be used to pay the last two weeks of care at the end of enrolment or, if four weeks' notice is given, to pay for the last two weeks of any care that is provided. If parents/guardians increase or reduce the number of booked days of childcare throughout the year then the two weeks fees in advance (bond) is adjusted pro-rata.

- **Active Contribution Levy:** The participation of parents/guardians is encouraged by the service and can help to keep costs more affordable. However not all parents/guardians are able to assist at the service. A refundable levy system has been introduced by the service and replaces voluntary labour with paid labour. Payment will be refunded to parents/guardians on participation in specified activities which may include working bees, maintenance and gardening etc. Eligible concession card holders will not be required to pay this levy. The levy is not intended to be a barrier to participation and parents/guardians experiencing difficulties should discuss this with the service.
- **Capital Works and Equipment Levy:** This levy is retained by the service and is included in the total fees charged by the service. Charging of this levy is reviewed in line with the fees review around the start of the new financial year. The levy was not charged in Financial Year (FY) 2018; however the levy will be charged in FY 2019.
- **Late collection charge:** The CoM reserves the right to implement a late collection charge when parents/guardians are frequently late in collecting a child from the service. This charge will be set at a level determined by the CoM.

### 3. Fundraising

Not all service costs are covered by DET per capita funding and the fees charged. Fundraising is undertaken to meet the balance and/or pay for additional items for the service. While participation in fundraising is voluntary, the support of every family is encouraged. Fundraising activities are also an opportunity for parents/guardians and communities to come together.

### 4. Subsidies

#### 4.1 Early Start Kindergarten fee subsidy

Three-year-old Aboriginal and Torres Strait Islander children and children known to Child Protection are eligible to attend a funded early childhood program that is planned and delivered by a qualified early childhood teacher free of charge. The service receives funding for children who meet the eligibility criteria. Contact the service for further information.

#### 4.2 Other assistance

The Australian Government offers payments that can assist eligible parents/guardians with the costs of childcare at an approved or registered care provider. The service is an approved care provider with the Family Assistance Office (FAO).

Further details are available at: [www.humanservices.gov.au/customer/themes/parents/guardians](http://www.humanservices.gov.au/customer/themes/parents/guardians) or telephone 136 150.

### 5. Payment of fees

The CoM will regularly review payment options and procedures to ensure that they are inclusive and sensitive to parents/guardians' cultural and financial situations.

Fees will be invoiced to parents/guardians directly and must be paid by the date indicated on the invoice. Each invoice will be accompanied by payment instructions. The first term's fees must be received in full prior to the child commencing at the service. For children enrolled after the commencement of a term, a pro rata invoice will be issued and must be paid in full within 14 days of the child's commencement at the service.

Parents/guardians experiencing difficulty in paying fees are requested to contact the Director (Nominated Supervisor) to arrange a suitable alternative payment plan. The *Privacy and*



*Confidentiality Policy* of the service will be complied with at all times in relation to a family's financial/personal circumstances.

## **6. Unpaid fees**

If fees are not paid by the due date, the following steps will be taken.

1. An initial reminder email will be sent to parents/guardians with a specified payment date.
  2. A phone call to parents/guardians will follow as a second reminder, with a specified payment date.
  3. A letter, including a statement showing the outstanding balance will sent. This letter will also include information on a range of support options available for the family.
- Where payment is still not received, parents/guardians will be invited to attend a meeting to discuss the range of support options available and establish a payment plan.
  - Failure to attend the meeting and continued non-payment may result in a second and final letter notifying parents/guardians that the child's place at the service may be withdrawn unless payment is made or a payment plan is entered into within a specified period of time. This letter will also include information on a range of support options available for the family.
  - The CoM will continue to offer support and will reserve the right to employ the services of a debt collector.
  - If a decision is made to withdraw the child's place at the service, the parents/guardians will be provided with 14 days' notice in writing.

## **7. Refund of fees**

Fees are non-refundable (unless exceptional circumstances apply – these are at the discretion of the Committee of Management.) There will be no refund of fees in the following circumstances:

- a child's short-term illness
- public holidays
- family holiday during operational times
- closure of the service due to extreme and unavoidable circumstances.

In addition, there will be no refund where a family chooses not to send their child to the program for the maximum number of hours for which they are enrolled.

## **8. Notification of fee changes during the year**

The CoM sets fees toward the start of each new financial year (i.e. 1 July). Parents/guardians will be provided at least 14 days' notice of any change to fees.