



FINANCE

Section 2

We aim to provide a quality service that meets the needs of the children by providing them with the resources they need and meet the needs of the parents by providing affordable care. The Governing Council is responsible for all financial aspects of the service and will ensure that all funding, Government Legislation and Acts are adhered to, and that clear records of all the financial transactions are recorded and stored for the required time in a secure place.

- S2-1 Bad Debt

- S2-2 Equipment Purchases

- S2-3 Fees
 - S2-3/1 Setting fees
 - S2-3/2 Fee Payment
 - S2-3/3 Parent Entitlement for fee Assistance
 - S2-3/4 Overdue Fees
 - S2-3/5 Late Collection
 - S2-3/6 Cancellations

- S2-4 Finance Management

Modbury West out of School Hours Care



FINANCE

Bad Debt S2-1

The Service understands that sometimes families have difficulty paying OSHC/Vacation care fees, for a number of reasons. Open communication is encouraged at all times and confidentiality will be maintained.

After three weeks of non-payment and if no arrangements to pay have been made, or if arrangements made and not kept, the child care place will be cancelled with written notification to the parents/caregiver (see exclusion policy). The unpaid fees may depending on the amount, be passed to our agent for collection or the amount if considered minimal by the Director, in consultation with the Management Committee will be written off as a bad debt. *See fee policy S2-3*

If the unpaid amount is deemed to be high by the Director the account will be forwarded to a debt collection agency and they act as our agent for collecting unpaid fees. If they are unable to recover the outstanding amount with the 'Fee Letter of Demand', the account will be taken to a Management Committee meeting, where it can then be written off as a bad debt and no future bookings accepted from that family while this amount remains outstanding.

In the instance that the Management Committee deems the outstanding fees recoverable a service fee may be incurred in addition to any outstanding fees.

When fees are paid in full, the child may be re-enrolled, but advance fee payment will be requested.

Special family circumstances will be taken into consideration by the Director.

Modbury West out of School Hours care



FINANCE

Equipment Purchases S2-2

All resources purchased will meet Australian Standards and be appropriate to the developmental stages, interests and culture of the children in care. All staff members will ensure that resources are kept in a thoroughly safe, clean and hygienic condition and in good repair at all times, and stored in a safe manner.

Implementation

In consultation with the Director, the operator or Management Committee will determine which resources are most appropriate, taking into account durability, easy maintenance, cost, and benefit to the children's program.

The Director is responsible for the purchase of all new resources.

All new resources will be checked to ensure it complies with relevant Australian Standards.

The Director will advise the Management Committee about the need to purchase new resources and gain their approval for purchases over \$200.

If expensive resources are requested the Management Committee will determine the service's budget limitations and make a recommendation to the Governing Council.

Staff, child and family input on compiling a prioritised list of items of resources to be purchased will be sought regularly.

Resources will be checked regularly by the staff to ensure they are clean and safe.

The service's assets register will include equipment and resources.



FINANCE

Fees S2-3

Modbury West OSHC Service aims to provide a quality OSHC service. Fee levels will be set by the Governing Council each year, on completion of the annual budget and according to the service's required income.

Setting Fees S2-3/1

The Governing Council will set the required fee level to meet the budget for the next year. The Management Committee's recommendation will be presented to the Governing Council for ratification.

The fee level will be reviewed as required, according to the service's need to cover operational costs.

Families will be given 30 days notice of any fee increase. Fees will be adjusted annually in line with the C.P.I. increase.

Fee payment S2-3/2

All families must sign the agreement to pay fees included on the enrolment form. Fees must be paid within two weeks from the date of issue of the account. Accounts will be generated weekly on Monday morning and available for collection on Monday afternoon. In the event that there is a public holiday or a school closure day accounts will be generated and be available for collection on the next working day.

In the case of Vacation Care bookings, accounts will be generated at the lapsing of the advertised "no charge" cancellation date. All accounts must be paid before the commencement of the vacation care period commencing. Failure to pay the account may result in the cancellation of bookings (see *Suspension/Exclusion S1-1/3*)

Fees may be paid by cash, cheque or by Eftpos, including Credit Card payments. Fees must be paid to the Director or an agent thereof. A dated receipt in accordance with Australian Government Childcare Services Handbook will be provided for each payment.

Families will be required to retain receipts issued to them. In the instance of discrepancies, if families cannot produce an official receipt the Service will cross-reference all payments with the computer based accounting package (SPIKE) and carbon duplicate receipts kept on the premises. The service will respond to concerns regarding fees by families within 48 hours of the discrepancy arising. When carbon duplicate receipts have been archived the service will have 5 working days to respond.

Hours/sessions of care will be recorded in accordance with Australian Government requirements.

Casual emergency care is to be paid for in full at the time of care.

Referrals and families enrolling from outside Modbury West School will be required to pay fees in advance or supply a refundable bond equal to 50% of the total fee, when booking for the Vacation Care Program.

Fee payments will be banked as required.

Details of a family's fees and accounts will be confidential and stored appropriately. Families may access their own account records at any time, or particulars of fees will be available in writing to parents upon request.

Modbury West Out of School Hours Care



FINANCE

Parents should tell the service of their child's inability to attend as soon as this is known. Holding/Cancellation fees will be required for short-term absences (*refer to allowable absences guidelines in Australian Government Childcare Services Handbook*).

For **no charge/no fee** booking cancellation, **notice must provided before 0700 hours of the morning care is required for Before School Care, and prior to 0900 hours of the day care is required for After School Care. Any cancellations with less than the specified time will be charged a holding fee** of the equivalent of the booked session. Under the Director's discretion exemptions will be given for extreme circumstances or long term illness.

In Vacation Care cancellations will only be accepted prior to a pre determined exclusion date. Cancellations that are received after the exclusion date will incur a full fee or be subjected to a holding fee.

A holding fee is a fee that is incurred as a result of families not meeting the requirements of booking cancellations. This fee is included in the Federal Governments Child Care Benefit entitlements until such a time as the allotted number of absences (including fee incurred cancellations) is reached.

Parent Entitlement for Fee Assistance S2-3/3

It is parents' responsibility to have their eligibility for Childcare Benefit (CCB) assessed by the Family Assistance Office.

Childcare Benefit will be deducted from fees in accordance with Australian Government requirements.

Families will only be eligible for CCB if OSHC attendance records are accurately completed and signed by the parent.

The service will keep parents informed about Childcare Benefit by:

- Advising new families to apply for assessment
- Having application forms to distribute to families and/or relevant information brochures or phone numbers.
- Reminding families of the need and encouraging them to reapply for reassessment when required
- Charging full fees when a parent does not have a current Assessment Notice.

All documentation relating to CCB will be kept for the specified period of time and made available to Australian Government officers on request.

Families who cannot afford fees, due to exceptional sudden unforeseen or short-term financial difficulty, will be assisted where possible and/or provided with information on other possible avenues of financial support, including Special Childcare Benefit.

Overdue Fees S2-3/4

Parents with overdue fees will be encouraged by the Director to discuss any difficulties they may have in meeting payments and to make suitable arrangements to pay. If this is not done, or the agreed arrangements are not kept, the following procedure will apply:

- After two weeks overdue - a polite written reminder will be forwarded to the parent.



FINANCE

- After three weeks overdue - a letter will be forwarded to the parent, advising that their child's place will be cancelled if the account becomes three weeks overdue. The letter will include a reminder that parents are encouraged to discuss payment difficulties and make suitable arrangements to pay with the Director.
- After four weeks of non-payment-if no arrangements to pay have been made, or if made and not kept, the place will be cancelled with written notification to the parents/caregiver. The unpaid fees may be passed to our agent for collecting unpaid fees. (See *bad debts S2-1*)
- In the case of the Vacation Care period if fees are not paid in full at the commencement of the said period a signed payment plan must be in place. A payment plan can only be undertaken in consultation with the Director and application for said plan must be done in writing and will remain at the discretion of the Management Committee.
- All OSHC fees must be paid in full **BEFORE** the commencement of vacation care; bookings will **NOT** be accepted and existing bookings **CANCELLED** if OSHC fees are not paid in full by the close of business on the final day of school.

Late Collection S2-3/5

Whenever possible, the parent should ring the service to advise they will be late to collect their child. If this happens frequently the Director will discuss alternative pick up or care options with the family.

A parent is regarded as being late when they arrive to collect their child **5 minutes past 1815 hours (or 1800 hours during Vacation Care, School Closure Days and Pupil Free Days).**

A late collection fee will be imposed to cover staff wages and inconvenience when children are collected after closing time.

- \$30 per family per 15 minutes or part thereof from the close of OSHC session at 1815 hours or Vacation Care Sessions, School Closure Days and Pupil Free Days at 1800 hours.

Special circumstances, such as a traffic accident or vehicle breakdown, will be given consideration in relation to collection of late fees.

Cancellation S2-3/6

Whenever possible, the parent should ring the service to advise they are cancelling a booking. If this happens frequently the Director will discuss alternative care options with the family.

In the instance that bookings are cancelled without notification families will incur a fee that reflects the type of care that is being cancelled. Notification should be made a minimum of 5 working days prior to care not being required. Where documentation is presented or extenuating circumstances are involved the minimum 5 working days notice is waived.

At all times the right to waive fees remains at the discretion of the Director and the Management Committee.



FINANCE

Financial Management S2-4

Responsibility for financial planning and management of Modbury West OSHC lies with Modbury West School Governing Council.

Implementation

The Finance Sub-committee, with the cooperation of the Director, will draw up the annual budget, detailing estimated income and expenditure for the year ahead. The budget will be passed at a Management Committee meeting and endorsed by the Governing Council (see also Fees). The budget will be reviewed as needed.

The Finance Manager is responsible to the governing council for ensuring financial transactions are properly completed and recorded.

The Director will be responsible for the provision of calculations for payment of staff wages fortnightly according to appropriate Award entitlements, and for ensuring all payments are made, including superannuation contributions, deductions, long service leave entitlements and tax deductions. The Finance Manager will ultimately be responsible for the payment of wages.

The Director will be responsible for the day-to-day financial management of the service including the authorisation for payment of bills, allocation of petty cash and the collection of fees.

The Director can spend \$200.00 without prior approval from the Management Committee for extraordinary accounts.

The Governing council will ensure that all reports are made in accordance with Department of Education and Children's services, and Australian Government requirements.

The governing council will ensure the service's accounts are audited in accordance with DECS.

After financial records have been audited and a Balance Sheet and Income & Expenditure Statement prepared, the annual financial report and the certification (also completed by the auditor) will be submitted to the appropriate Australian Government department.

Copies of all financial records will be kept for a minimum of seven years and will be available for inspection by Australian Government officers.

New committee members will be provided with a summary of the service's financial position as part of their committee members' handbook.

Financial records must be maintained to enable compliance with:

Any agreement with the Australian Government in respect of Recurrent Grants for OSHC Services

- Any requirement in the agreement in respect of CCB funding.
- Other legislative requirements such as Income Tax Assessment Act 1936 (Commonwealth) Superannuation Guarantee Charge Act 1992 (Commonwealth) and SA Childcare Award requirements.

The governing council must ensure that health and safety practices followed by the service comply with Health Regulations, Department of Education, and Children's services (OSHC Standards), Australian



FINANCE

Standards and the Occupational Health, Safety & Welfare Act (1986) (SA), and will allocate sufficient resources in the annual budget at all times to ensure a healthy and safe environment.