

Omega Family Day Care

Policy and Procedure

Fee Charges & Administering CCS

The Child Care Subsidy (CCS) is a financial support system for families who need assistance with paying for child care. This system was introduced by the Australian Government aimed at making child care more affordable and accessible for families.

Omega Family Day Care is an approved provider to receive CCS on behalf of families and pass on to families as a fee reduction.

Omega Family Day Care is committed to ensuring sound CCS payment governance in place that are in accordance with the Family Assistance Law.

Omega Family Day Care will ensure that:

- Educators are aware of their obligations under the Family Assistance law regarding the service fee charges, CCS payments, and the CCS gap fee under the family Assistance Law.
- Families are aware of their obligations under the Family Assistance law regarding the service fee charges, CCS payments, and the CCS gap fee under the family Assistance Law.
- All educators and families are aware their obligations to pay the CCS gap fee by EFT.

Omega Family Day Care will conduct internal audits regularly as a part of governance management to ensure ongoing compliance with the CCS payment obligations.

Policy

Omega Family Day Care set the childcare fee range and operational guidelines in line with the Family Assistance Law and other regulations that must be adhered to by families and educators at all times. This policy is to monitor the service's governance in administering fee charges and the CCS management.

Procedure

Educators are independent contractors working as self employed for Omega Family Day Care and may set their fee schedule within the range determined by Omega Family Day Care based on their experience, qualifications and capabilities. Fees and charges will be reviewed annually. Any changes to fees will be published and notified to families within 14 days of the change come into effect.

Setting of Service Fees and Service Levy

- The Coordination Unit set and annually reviews the Service Fees and Charges specifying the fee range for each hour of care, each type of care and other charges in consultation with the educators, including:

- ✓ routine care
 - ✓ casual care
 - ✓ overnight fees
 - ✓ weekend care
 - ✓ public holidays
 - ✓ vacation care
- Educator is advised that our fee schedule for all types of care is not more than \$13.00 per hour.
 - Educators may set their fees within the fee range specified in the Service Fees and Charges Schedule. Their fee will be based on the educator's qualifications, experience and performance.
 - Educators will not add any other additional charges or differ from the signed Fee Schedule without consulting the Coordination Unit and advising families of the new charges.
 - The Coordination Unit will provide families with at least two weeks' notice of any changes to the fee structure and the date when they will come into effect.
 - The service levy is a fee paid by families to Omega Family Day Care to assist with the administration of the service. This is in addition to educator's fee but is included in the Service Fees and Charges.
 - To collect the service levy the Coordination Unit withhold this money from CCS payments.
 - The Coordination Unit will determine the service levy annually within the guidelines of the Omega Family Day Care budget process.

Reporting Fees and Payment of Fees

- Omega Family Day Care will provide all the information on fees and payment of fees at the initial family interview including information on CCS application.
- 2023–24 hourly rate caps for family day care is \$12.72 (recommended)
- Educators ensure a signed Fee Schedule is in place prior to families commencing care and will provide a copy to the Coordination Unit. The Coordination Unit must have this copy prior to a child starting care.
- Omega Family Day Care Fee Schedules are always available to families. The service will report our current fees in the Child Care Subsidy System via Harmony software, including:
 - ✓ current hourly fees before CCS, discounts or reductions
 - ✓ current session fees before CCS, discounts or reductions
 - ✓ any changes to fees, within 14 days of the change.
- The Coordination Unit will process all Child Care Subsidy (CCS) Claims and parent fees for educators and administer payment of the CCS to educators through Harmony.
- Omega Family Day Care will pass on the benefit of the Child Care Subsidy payment to families as a fee reduction within 14 days. The parent only pays the gap fee (the total

fee liability amount less the Child Care Subsidy amount). If it is not reasonably practicable for the service to pass on the fee reduction amount to the family, we must remit the Child Care Subsidy amount to the Department of Human Services within 14 days.

- Families not eligible for CCS will pay full fee.
- Omega Family Day Care will invoice families for the agreed child care fees minus fee reduction amounts (the Child Care Subsidy payments we received on the family's behalf).
- The Coordination Unit will provide a Payment Advice to educators and a Parent/Guardian Advice to families fortnightly. Families will pay the educator on receipt of the fortnightly Parent/Guardian Advice.
- Educators must receipt all payments collected, either from Harmony for Educators or handwritten.
- Families will be liable to pay educators the contracted fee when the educator is available for care. i.e. If a child is ill or the family is on holidays.
- Core hours are 8.00am to 6.00pm Monday to Friday. Any care provided outside these hours will classified as non-core hours of care.
- Additional care to be provided in non core hours must be notified to the Coordination Unit prior to the care commencing. Non-core hours must be notified to the Coordination Unit by at least 5pm the day before.
- Families will not be liable to pay fees if the educator is not available for care, for example being on holidays or illness.
- Educators can charge late fees per their fee schedule if a family is late to collect their child.

Child Care Subsidy (CCS) Enrolment

- The Australian Government provides CCS to families to help cover the cost of approved child care. CCS is available to all families who meet the eligibility requirements. The family is responsible to complete and lodge their online CCS claim form via their myGov account.
- To receive CCS families are required to confirm their enrolment with the service via their myGov account. Without CCS payment, full fee is payable, until the enrolment is confirmed and the Department of Education provide the service with the CCS information.
- The Department of Education will automatically cancel a child's booking and CCS if they have not attended a care session within a fourteen-week period (e.g. attendance only during school holidays). If this occurs the family can contact the service to create a new enrolment. This may impact CCS payments.
- The family will repay to the service any CCS that the Department of Education reclaim from their child's attendances for any reason, including non-attendance on first or last days of care, even if this occurs after care has ceased.

Complying Written Agreement (CWA)

- As part of the enrolment process with the service, sessions of care are established and agreed between the Coordination Unit, Parent/Guardian and Educators prior to care starting.
- The CWA specifies the booked days (sessions) and hours and fees payable for each child's session of care. This ensures that all parties are fully aware of their commitment and obligations regarding fees and charges and responsibilities in relation to payment, and gap fee payment through EFT.
- When there are changes to booked days and hours, the Coordination Unit will create and submit a revised CWA to the families using Harmony Web (Harmony). Families will be required to use their Personal Identification Number (PIN) to approve the CWA at the time the booking changes.
- When there are changes to fees the educator will update the fee schedule and families will sign and agree. Once completed, the educator will submit this to the Coordination Unit.

Gap Fee Payments

Families who get CCS approval must make a co-contribution to their child care fees. This is a requirement under Family Assistance Law. The gap fee is the difference between the provider's fee and the Child Care Subsidy (CCS) amount. Under the Family assistance Law, CCS gap fees are mandated to be collected by Omega Family Day Care via EFT in the following ways:

- ✓ the approved service collects the CCS gap fees centrally and then disburses payments to educators
- ✓ a service allows educators to act as an agent on behalf of the provider and collect the CCS gap fee. It will be the provider that experiences the consequences of any non-compliance

Omega Family Day Care will check EFT payments against educator's service bank statements and receipts; the account is controlled by the provider

Omega Family Day Care will send families regular advice about fees that are due, paid and owing. In Harmony Web, on the main children's page it is possible for the service to add 'flags' to those families who are currently in a payment agreement with the service, this function can particularly assist tracking those families who have issues initially with commencing care.

We will also take all reasonable steps to ensure gap fees are collected by EFT, the steps will include:

- ✓ adequate oversight of gap fee collection through Harmony's "debit report" function to keep track of overdue payments
- ✓ written email/letter to families chasing the gap fees
- ✓ payment plans for a debt or assessing whether Additional Child Care Subsidy (ACCS) is an appropriate option
- ✓ debt collection service involved

The Department will audit service providers' compliance with the CCS gap fee payment requirement. Families and educators must comply with these requirements. Failure to comply will have serious consequences.

In the proposed audits, the Department will be checking EFT CCS gap fee payments against relevant records and evidence, such as the service or educator bank statements and receipts, as well as relevant reports from third-party software (Harmony). The Internal audit of gap fees collection includes:

- ✓ invoicing and receipting
- ✓ examining statements of entitlement
- ✓ reviewing Harmony software session reports and
- ✓ other relevant documentation (i.e. relevant bank statements of the educators) that show session payment details for a specified period
- ✓ record keeping policy
- ✓ debt recovery procedure

Omega Family Day Care will provide information about external financial support services and is willing to provide families with payment plans on request in some circumstances.

Omega Family Day Care will keep a record of the payment plan arrangement together with other financial documents where an appropriate record keeping and storage requirements in place to ensure records are available to inform audits, even after an educator leaves our service.

Statement of Entitlement

Once every fortnight, Omega Family Day Care must provide a Statement of Entitlement to parents eligible for Child Care Subsidy for children enrolled in the service. This statement should include details of the sessions of care provided (eg. the child's physical attendance time at the service and actual fee reduction amounts).

Statement of Entitlement are issued to families to ensure that families have a clear understanding of the fees they have been charged, what those fees have been charged for and how their Child Care Subsidy has offset those charges.

Harmony Software and Harmony for Educators

- The Coordination Unit will administer all payments through a third-party licenced software program called Harmony that is registered with the Australian Government.
- All registered educators will be supported to use Harmony for Educators to administer the payments and attendance records for families.
- Educators will be charged a subscription fee for use of Harmony for Educators.
- The Coordination Unit will administer Harmony and Harmony for Educators in line with the software administrator's policies and procedures including privacy requirements.
- If an Educator is unable to access Harmony for Educators in circumstances such as the internet being down or their device not functioning, they will use paper-based records to manage attendance and leave. The educator must contact the Coordination Unit as soon as possible and work to rectify the situation.

Payment Administration

- Educators are paid on an ABN as self employed and may set their fees within Omega Family Day Care fee charge guideline and based on their works, experience and qualification, this fee is usually charged per hour per child for a standard of 8-10 hours.
- Educators will use Harmony for Educators to record children's attendance. Each Educator will be issued a PIN.
- Parent/Guardians and each authorised nominee will be issued their own PIN to sign children in and out.
- Each PIN must only be used by the person it is issued to, and not be shared with anyone else.
- Educators will only sign/PIN children in and out of care when dropping off or picking up from school, etc, or upon failure by a parent /guardian to do so. When doing this a note will be made in Harmony for Educators as to the reason why.
- Educator submits Harmony online weekly attendance to Omega Family Day Care and receives payment directly into their bank account fortnightly. Omega Family Day Care ensures that all educators receive all the payment at the right time.
- If Educators need to use paper-based documents, then scanned versions of these are also considered legal documents.
- Educators will ensure all timesheets/records/documentation are accurate records in order to comply with State and National regulations. Records are to be returned to the service when specified. Timesheets must be submitted for every child, every fortnight.
- The Coordination Unit will provide all families the Statement of Entitlement report, detailing the fees charged, what those fees have been charged for and how Child Care Subsidy has offset those charges. This will be issued fortnightly in the alternate week to the Parent/Guardian Advice.

Financial Difficulties / Failure to Pay

- If a family has incurred a debt at another care and education service and it comes to the attention of the Coordination Unit, the Coordination Unit will determine the risk prior to enrolling the family in our service and will discuss this with the family when they register. The Coordination Unit has the right to determine that the risk of the family not paying the Educator is too great and therefore the family will not be enrolled.
- The Coordination Unit will contact families with payments in arrears and will provide support to minimise debts incurred by parents using the service.
- Families who accrue a debt will be supported by the Coordination Unit by developing a payment plan to assist the family. If the payment plan is not adhered to, care may be suspended until payment is made or if ongoing non-payment, the family may be asked to leave the service.
- The Coordination Unit reserves the right to terminate care immediately if after negotiation the fees remain unpaid or there is a breakdown in the care arrangement.

Public Holidays

- Non-Attendance on a Public Holiday is charged at normal core and non-core rates for days that are a regular booking.
- Attendance on a Public Holiday must be approved by the Coordination Unit by 5:00pm the day prior to attendance and will be charged at Public Holiday rates.
- Attendance on a public holiday will be charged for the regular booking regardless of whether the child attends the full hours or not.
- Where a family requires care on a Public Holiday and the regular Educator is not available, the Coordination Unit will endeavour to relocate the child to an alternate Educator. In this circumstance only the Educator providing care will be paid based on the Fee Schedule.
- School aged children that have a regular booking before and/or after school during term and use full days of care in school holidays can be charged for a public holiday as per their booking.

Allowable Absence Days

- Each child is eligible for Child Care Subsidy (CCS) for the first 42 absences from care across all approved child care services per financial year. These absences can be taken for any reason and do not require supporting documentation but are only available on a day that care was booked, and the family was charged for that care.
- If a family takes holidays or any other forms of leave, fees are still payable to the Educator as the Educator is available; this includes public holidays. Allowable absences are available, so families will still receive CCS when absent for up to 42 days per year.
- If a child is absent on their first or last day of care, CCS may apply for absences up to seven calendar days before or after a child's first or last physical attendance.
- To be eligible the child/family must meet criteria outlined by the Department of Education and if relevant provide supporting evidence. If these circumstances arise the Coordination Unit will provide details of the criteria and evidence.
- If the child is absent outside the seven calendar days and/or does not meet the DESE criteria, the family will not be eligible for CCS and full fees will apply for these absences.

Approved Absence Days

- The first 42 days of absences in a financial year are allowable absences, regardless of the reason the child is absent.
- After a child has used all 42 days of allowable absence days in a financial year, additional absence days may be accessed if the child/family meet the criteria outlined by the DESE, meaning the family may still be able to access CCS. When these situations arise, the Coordination Unit will provide families details of the criteria.
- If eligible for approved absence days, the family will be required to provide documented evidence as to how they meet the criteria, for example a medical certificate.

Casual Care / Additional Day(s)

- Where a family does not have a regular booking, the booking will be considered casual. Families using only casual care will be charged at the Educators casual rate as per the Educators Fee Schedule.
- Additional days are extra days of care for children who have an existing booking for contract hours. These days will be charged at the core or non-core rate in which the care is booked and provided.
- Educators must complete a booking request with the families via Harmony for casual care and Families will be required to use their Personal Identification Number (PIN) to approve the request.
- Families must notify the Educator at least 24 hours to cancel casual care without incurring a charge. Where no notice or late notice of cancelation is provided, the family will be charged.

School Holiday Care

- Children that have a regular booking before and/or after school during term and use full days of care in school holidays will be charged at core and non-care rates (as relevant).
- Where families indicate they will use care regularly in school holidays, and attendance is consistent, (even though days may vary) will be charged at core and non-care rates (as relevant).
- School aged children who attend irregularly in school holidays (odd days here and there) can be charged at casual rates.
- Educators must complete a booking request with the families via Harmony for School Holiday care and families will be required to use their Personal Identification Number (PIN) to approve the request.
- Families and/or Educator must provide two weeks written notice to the Coordination Unit if either party is terminating care. On termination of care, if child/ren cease care during a notice period, the Child Care Subsidy (CCS) is paid for absences in accordance with the current CCS legislation. In certain circumstances the full fee is payable.
- Families and Educators must provide two weeks' notice to the Coordination Unit to change a child's booked hours of care. Educators will complete a booking change request via Harmony and Families will be required to use their PIN to approve the request.
- The Educator will provide families and the Coordination Unit at least two weeks' notice prior to taking holidays. The Educator will submit this leave in Harmony.
- Where the Educator is unavailable unexpectedly e.g. illness, they will provide the family and Coordination Unit as much notice as possible.

Payments to families overseas

Generally, Australian Government payments are not payable while the recipient is overseas. Government payments are targeted to families who live and work in Australia.

To remain eligible for CCS, a family must meet residency requirements. This means:

- payments will stop when a family leaves to live in another country
- payments will stop after 6 weeks when a family travels overseas.

A family can use their 42 allowable absences for short term travel overseas.

After 6 weeks overseas, the family will need to pay full fees if we choose to charge fees.

Families planning to be overseas longer than 6 weeks may prefer to end their enrolment and start a new enrolment upon return.