

DEBT MANAGEMENT

Services rely on fees to cover all operational costs. It is important that fees are collected regularly so that staff can be paid and other expenditures met. The service management committee also needs to be able to budget effectively and monitor cash flow.

Ensuring that all families pay their fees promptly is an equitable way to manage the finances of the service. If there are a lot of unpaid fees this will result in all users of OSHC paying increased fees because a small number of families have used care without payment. If there are unpaid debts the fees may have to be increased to meet the short fall.

DEBT MANAGEMENT POLICY

All families using the St Pius X OSHC service will pay within a reasonable period of time.

Procedure

Matters relating to the payment or non-payment of fees are confidential. Individual names and details will not be discussed openly by members of staff, Management Committee or School Council. Information should only be available to the nominated persons required to take action.

1. Accounts

Families will be issued an account for fees owing at the end of each fortnight. They have a fortnight to pay their account. *As proof of payment a receipt will be issued.*

2. If a payment is not received.

Parents will be issued with a second account, noting the outstanding fees and requesting that payment be made within 14 days, or a suitable arrangement for payment be made with the Director. If this does not occur then their child may be denied access to the service. The notice will also explain that a 10% loading will be added to any amounts unpaid 30 days after issue of the first notice.

Families experiencing genuine hardship may be entitled to Special Child Care Benefit. This can be arranged with the Director.

SUGGESTED ALTERNATIVE PAYMENT ARRANGEMENTS

If a parent is having difficulty paying an account, then an arrangement to pay the account over an extended period of time can be negotiated. This arrangement should always ensure that continuing care is paid in full and that a portion of what is already owing is also paid.

For example. If the parent has an outstanding account for \$50.00 and it costs the parents \$25.00 per week for care. The alternative arrangement for payment could be – the parent is to pay \$30.00 per week. This will include each new weeks cost of care(\$25.00) and a payment of \$5.00 off the outstanding account.

3. If the amount is still outstanding after the Director has made several attempts to retrieve the fees:

A personal phone call is made to the parent, making sure they have received the accounts and letters and are aware of the consequences for non-payment.

This duty could be carried out by the School's Financial Administrator so that it can be shown it is the school board's concern and that the matter has been taken further.

- 4. If no payment has been received within 7 days, or no suitable arrangement for payment negotiated, or negotiated arrangements have not been followed:**
- The child/children will be denied access to the service until all outstanding debts are paid.
 - Parents will be issued with a third and final account noting that they have previously received two accounts and that their child/children have been denied access to the service. They then have 14 days to finalise their account or a debt collection agency will be engaged to deal with the matter.
 - The school principal will be informed when children have been denied access to the service. If children do come to OSHC, arrangements will be made with the school to contact parents, or an authorised person, to collect them from the school office. The service will need to negotiate this or some other practical arrangement with the school.
 - If a longstanding debtor is a St Pius X family, the account will be passed onto the school's finance administrator in an attempt to recover the debt that way (through Centrepay or combining for debt collection procedures, etc)
 - Once the debt has been the paid, the service may require that any future care is only provided if it is paid for up front or paid for on a daily basis, or if the family is linked up with the Centrepay system. This is particularly relevant for vacation care families.
- 5. Families whose payments exceed 90 days past the due date will be asked to assign their Child Care Rebate (CCR) directly to the service.**