

OVERDUE FEE PAYMENT PROCEDURE

Montessori Early Learning Seacliff is committed to providing quality education and care to all children at an affordable fee for families. Our Service aims to ensure families understand the fee schedule and payment process required for education and care to be provided for their child.

Working in conjunction with the *Payment of Fees Policy*, this procedure explains the process of fee payment and the necessity of ensuring children's fees are paid on time and consequences for failure to pay fees on time.

Education and Care Services National Law or Regulations (*R.168 and 172*) NQS QA 2: *Element 7.1.2 and 7.1.3 Governance practices and procedures*

Related Policy: *Payment of Fees Policy*

OVERVIEW		
1	The approved provider, nominated supervisor and educators will review and update the Service's <i>Payment of Fees Policy</i> annually to ensure an awareness of processes regarding payments of fees	
2	Fees are charged for each session of care and vary depending on the age of the child in care and the family's eligibility for Child Care Subsidy (CCS).	
3	CCS is paid directly to the Service, and this is used as a fee reduction (visible on a family's statement)	
4	Families are required to pay the difference between the fee charged and the subsidy amount - the 'gap' amount	
5	Fees are to be paid weekly through a direct debit system	
6	Families are to advise the nominated supervisor at the earliest opportunity if they are experiencing financial difficulties paying childcare fees	
7	A payment plan may be entered into for families experiencing financial difficulties	
8	If a family fails to pay the required fees on time, a reminder letter will be issued after one week and then again, after two weeks if the fees are still outstanding	

FIRST WARNING- 1 WEEK OVERDUE		
1	Families will be contacted via email to advise their payment is 1 week overdue and payment is due immediately	
2	Families will be reminded of fee contribution agreement and fee policy guidelines	

3	A copy of the fee policy and account will be attached to the email sent to families	
4	At any time of the debt recovery process the family will be encouraged to enter a debt agreement with the service to repay outstanding fees. A written contract will be provided for the family to sign outlining repayment plan details. The repayment plan will provide information as to the duration and amount of the repayments as well as steps that will be taken if the repayment plan is not adhered to.	
5	Children will not be able to use casual days whilst fees are outstanding, or a payment plan is in place. Other restrictions on their enrolment may be activated, as the discretion of the Service	
6	The nominated supervisor will provide information to families regarding additional childcare subsidy claim for financial hardship if applicable	

SECOND WARNING - 2 WEEKS OVERDUE

1	Families will be contacted via email and also phone call to advise their payment is 2 weeks overdue and payment is due immediately	
2	Families will be advised their child’s placement is at risk of termination	
3	Families will be reminded of fee contribution agreement and fee policy guidelines	
4	A copy of the fee policy and account will be attached to the email sent to families	
5	At any time of the debt recovery process the family will be encouraged to enter a debt agreement with the service to repay outstanding fees. A written contract will be provided for the family to sign outlining repayment plan details. The repayment plan will provide information as to the duration and amount of the repayments as well as steps that will be taken if the repayment plan is not adhered to.	

PAYMENT PLAN

1	Families can request a payment plan at any time by meeting with the nominated supervisor	
2	At any time of the debt recovery process the family will be encouraged to enter a debt agreement with the service to repay outstanding fees	
3	A written contract will be provided for the family to sign outlining repayment plan details	
4	The repayment plan will provide information as to the duration and amount of the repayments as well as steps that will be taken if the repayment plan is not adhered to	
5	The payment plan is to consider regular fee payments and clear the outstanding amount within a set period of time	

6	Each payment plan will be individualised for each family by the nominated supervisor	
7	A copy of the payment plan will be placed in the child’s enrolment file and provided to the family.	

TERMINATION OF ENROLMENT FOLLOWING NON-PAYMENT OF FEES		
1	A child’s position will be terminated if payment has not been made after three weeks, for which the family will receive a final letter terminating the child’s position	
2	The family will be contacted to arrange a meeting regarding non-payment of fees and to discuss termination of enrolment. The child will be unable to return to the service until account is paid in full. Documentation of this meeting is to be completed with the account and/or payment plan attached. An email will be sent to families as notification of the meeting.	
3	If the family does not attend the meeting, a phone call will be made to families advising the child’s enrolment is terminated due to non-payment of fees. An email will be sent to families as a notification of phone call.	
4	The Service will initiate its debt collection process, following privacy and conditional requirements	
5	Any fees associated with debit recovery will be passed onto families	
6	Families will be offered a payment plan to arrange payment of outstanding fees over a nominated period of time	

REVIEW OF PROCEDURE			
Date procedure created	27 May 2025	To be reviewed	27 May 2026
Approved by	Jason Williams	Signature	
Procedure reviewed date	Modifications/changes		

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PAYMENT OF FEES RESOURCES		
NAME OF RESOURCE	RESOURCE DESCRIPTION	DESKTOP LIBRARY LOCATION
POLICY AND PROCEDURES		
Payment of Fees Policy	The <i>Payment of Fees Policy</i> sets clear expectations for families regarding payment amounts, schedules, methods and consequences for late or non-payments. The policy provides procedures for management to follow to ensure compliance with Family Assistance Law and other relevant legislation.	QA7 Policy Library
Overdue Fee Payment Procedure	This procedure explains the process of fee payment and the necessity of ensuring children’s fees are paid on time and consequences for failure to pay fees on time.	Resources > Procedures
Payment Plan Record	This form outlines the agreement between the Service and family regarding payment of late or outstanding fees.	Resources > Forms
Staff Discount Application	Approved providers may offer a discounted fee to staff with children enrolled at the Service. This form documents the terms of the discount arrangement.	Resources > Forms
Overdue Fee Payment Letter	This draft letter is intended to inform families of late or outstanding fees and to formally request immediate payment. It also outlines consequences of non-payment.	Resources > QA7 Letters
Overdue Account Letter	This draft letter may be provided to families whose enrolment has ended but still have outstanding fees. It outlines the consequences of non-payment and encourages prompt resolution.	Resources > QA7 Letters
Fee Increase Letter	This draft letter is available to inform families about upcoming changes to the Service fees, providing details of the new fee structure and amounts. 2 examples are provided regarding reasons for increase: National Wage Increase and General Fee Increase.	Resources > QA7 Letters
Forward Bills Fees Letter	This draft letter is available to provide to families to advise fees for the upcoming year must be paid in advance.	Resources > QA7 Letters
Late Collection of Child – Late Fee Charged Letter	This draft letter is available to provide to families following the late collection of a child, outlining that late fees have been charged.	Resources > QA7 Letters