



Toowoomba Catholic Kindergartens and Care (TCKC) fee collection procedure

Purpose

This procedure describes the transparent, consistent and equitable approach to the collection of fees and levies to be applied by all TCKC Kindergartens and Outside School Hours Care service.

To whom it applies

All TCKC Kindergartens and Outside School Hours Care services are to follow this procedure.

Related policy, procedures and guideline

[TCKC Enrolment Procedure](#)

[Kindy and Outside School Hours Care Fee Policy](#)

Procedure

1. Guiding principles

- a. Every parent or legal guardian who enrolls their child/children in the TCKC services has an obligation to pay their fees as a matter of justice to the whole community.
- b. Whilst it is expected that parents and/or legal guardians meet their financial obligations to pay fees, TCKC are expected to actively pursue the recovery of unpaid fees giving due regard to individual circumstances.
- c. Details of a family's financial circumstances in determining debt collection strategies will be handled positively, respectfully and with appropriate confidentiality in accordance with the Toowoomba Catholic Kindergartens and Care Privacy Statement and the [ACCC and ASIC Debt collection guideline: for collectors and creditors](#).
- d. Toowoomba Catholic Kindergartens and Care (TCKC) and associated services is an agency operating within The Corporation of the Roman Catholic Diocese of Toowoomba (the Corporation) and is not a separate legal entity. Where legal action is pursued against responsible debtors, this is to be under the name The Corporation of the Roman Catholic Diocese of Toowoomba and with appropriate notification and authorisation as outlined in this procedure.
- e. As an Approved Provider, TCKC is obligated to follow the rules under the Family Assistance Law that underpins the Child Care Subsidy (CCS) system. This includes compliance with all enrolment and fee charging requirements.

2. Notification to parents and/or legal guardians for fees and levies

- a. Fee schedules and payment procedures will be published on the TCKC website annually for Parents/legal guardians to access.
- b. The TCKC Office will utilise email and newsletter communication methods to inform parents about the CCS, the TCKC Cancellation Policy, and the service's Fee Schedule.
- c. An initial email is issued to families by the TCKC Office for new OSHC enrolments (refer Appendix 1 – Initial CCS enrolment and fee email).



- d. Parents/legal guardians are to be advised that a condition of their child's enrolment is to pay fees and levies by the due date unless alternative arrangements such as payment plans are in place due to genuine financial hardship.
- e. There is a CCS requirement for all payment options to be electronic funds transfers, which include:
 - i. direct debit (through Debit Success) – credit card or bank account direct debit (preferred payment option)
 - ii. Electronic funds transfer (EFT) through your bank account
 - iii. credit card over the phone with the TCKC Office
- f. Dishonour fees for direct debits will be passed on to responsible debtors in their entirety from Debit Success.
- g. TCKC Office are to encourage debtors to utilise direct debit facilities for ease of administration and guarantee of regular payments.
- h. TCKC are not to endorse or be a party to any arrangements that may be deemed or perceived to be or convert to short-term loan facilities.
- i. It is recommended that a reminder regarding payment of fees and levies is placed in service newsletters at the beginning of each term. Reference to the link between receipt of fees and levies, cash flow and educational expenditure commitments should be included to remind parents/legal guardians of how fees and levies are used for the service priorities.

3. Issue of fees and levies - Kindergarten

- a. 15 hour program families
 - i. Term statements (Parent Account Statement) for fees and levies are to be generated and issued via email to responsible debtors as early as possible each term and no later than the end of Week 1 of each term.
 - ii. For those families eligible for government subsidies (including Free Kindy), a statement will be received showing nil owing.
 - iii. For those families ineligible for subsidies, standard payment terms are to be **7 weeks from the date of the invoice (Week 8 of each term)**.
- b. Additional sessions
 - i. Additional sessions are charged at a daily rate with statements issued on a weekly basis.
 - ii. Standard payment terms are to be **14 days from the end of the current week**.
- c. Responsible debtors are required to make full payment by the due date unless a direct debit or other agreed financial arrangement or payment plan is in place.
- d. Statements are to be issued weekly for those debtors with greater than \$0 balance. After all receipts have been entered for the previous week, statements for that previous week are to be emailed to all responsible debtors where there are amounts owing or the balance is in credit, or where there have been transactions in that prior week that have resulted in the balance being \$0.
- e. If a balance is in credit, the TCKC office will determine if there are any refunds owing to the debtor and process these within one (1) month of identification or by the end of the calendar year (whichever is earlier).



4. Issue of fees and levies – Outside School Hours Care (OSHC)

- a. Statements for fees and levies are to be generated and issued via email to responsible debtors as early as possible each week, preferably on the Monday. Families are also able to access their accounts at their discretion through the Xplor application.
- b. Standard payment terms are to be **14 days from the end of the current week**.
- c. Responsible debtors are required to make full payment by the due date unless a direct debit or other agreed financial arrangement or payment plan is in place.
- d. Parents are responsible for checking that their relevant CCS subsidies have been applied on the Parent Account Statement (also known as Statement of Entitlement).
- e. Statements are to be issued weekly. After all receipts have been entered for the previous week, statements for that previous week are to be emailed to all responsible debtors where there are amounts owing or the balance is in credit, or where there have been transactions in that prior week that have resulted in the balance being \$0.
- f. If a balance is in credit at the end of the child's enrolment, parents can contact the TCKC office to request a refund to their bank account. These will be processed within the next payment run once deemed appropriate.

5. Recovery of overdue or unpaid fees and levies (refer to Appendix 2 – Flowchart for fee collection)

- a. Overdue or unpaid fees and levies may arise from non-payment of invoices, or if a debtor has a payment arrangement in place across the year (eg direct debit) where they have missed their scheduled payment.
- b. **Direct debit arrangements**
 - i. Debtors with a direct debit arrangement are to be reviewed by the TCKC Office periodically to ensure that direct debit payments will cover the outstanding fees and levies. Due to the automatic nature of the DebitSuccess direct debit arrangement, an outstanding balance is usually only present where there has been a payment dishonoured or a cap has been set by parents.
 - ii. After the first dishonour, responsible debtors are to be contacted either by telephone or email for immediate follow-up by the designated Finance Officer.
- c. **Unpaid 14 days after due date – attempt to contact the parent**
 - i. Attempt to contact the parent for resolution via email or telephone if the account is unpaid after fourteen (14) days of the invoice due date. SMS is an additional option which may also be utilised.
- d. **Unpaid 21+ days (until the end of the term) – attempt to contact the parent**
 - i. Weekly contact will be made with the parents following the first unpaid 14 days attempt every week until the end of the term. Contact will be made via email, telephone or SMS.
 - ii. Families will not be allowed to enrol their children in OSHC Vacation Care bookings for the term holidays if they are not up to date with their fees for their term bookings or a payment arrangement by direct debit is not in place. Coordinators are to be advised at this stage.
 - iii. Notification is sent three (3) weeks prior to the next vacation care period (usually in Week 8 of the school term) reminding of the overdue term account needing to be finalised prior to the holiday period and that bookings will not be accepted until an appropriate payment arrangement is in place. Refer to Appendix 3 - Unable to enrol for Vacation Care bookings email.



e. Unpaid at the end of the term – First letter reminder (refer Appendix 4 – Collection letter 1)

- i. At the end of each term, all accounts will be reviewed.
- ii. If an outstanding balance is due for the account, full payment or other agreed financial arrangement or payment plan utilising direct debit will need to be established with the family before any term bookings are allowed for the following term.
- iii. A formal notification of an overdue account should be sent to the responsible debtor at the end of the term to confirm this situation.
- iv. The letter is to be issued to all debtors where no payment plan is in place. The letter is to be emailed and can also be posted.
- v. The terms of payment for Collection letter 1 is **seven (7) days from the date of its issue**.
- vi. At the discretion of the Senior Leader, debtors can be excluded from Collection letter 1 due to pastoral considerations.

f. Unpaid after 7 days from first letter issue – Senior Leader or delegate to contact the parent

- i. If the amount owing has not been paid by the Collection letter 1 due date and/or an alternative financial arrangement or payment plan has not been finalised, the Senior Leader or delegate is to call the responsible debtor to discuss the matter and/or arrange a meeting with the Senior Leader or delegate (eg Manager or Accountant) **within seven (7) days of the Collection letter 1 due date**.
- ii. If the debtor makes commitments to pay the debt a letter or email is to be issued to confirm the commitment. Request a reply from the responsible debtor to confirm their commitment.
- iii. The Senior Leader is to ensure processes are implemented and delegated as appropriate so that these commitments are monitored and if not complied with, followed up promptly. Regular communication is required with designated staff for the Senior Leader to be kept abreast of this function.

g. Unpaid and no response after 7 days from Senior Leader or Delegate contact - Second letter reminder

- i. If there is **no action fourteen (14) days** after the due date stated on the Collection letter 1 and the follow-up phone call is unsuccessful, Collection letter 2 (Appendix 5) is to be issued. This letter refers to a debt collection agency, and possible permanent cancellation of enrolment.
- ii. The Senior Leader is to consult with relevant members of the school, services, and parish priest (if applicable) who may be aware of relevant personal circumstances for the responsible debtor. The Toowoomba Catholic Kindergartens & Care Privacy Statement must be taken into consideration with this step.
- iii. The due date for a response from Collection letter 2 is seven (7) days from the date of issue of the letter.
- iv. It is recommended to email, post and telephone (engaging in three contact methods) with the responsible debtor. Contact is to be made with both parents/legal guardians if more than one person is party to the debtor.



h. Unpaid and no response after 7 days from Collection 2 letter issue - Referral to debt collection agency

- i. If fees have not been paid or contact made to arrange alternative arrangements within **seven (7) days** after the due date stated in Collection letter 2, the Senior Leader will consider referring the matter to a debt collection agency.
- ii. The TCKC office needs to ensure that there have been attempts to make telephone contact with the debtor as per the reminder steps prior to the referral. Other considerations can include:
 - a. history of action to date
 - b. likelihood of success
 - c. costs to be incurred
 - d. assessment of risk.
- iii. Depending on the individual circumstances, an initial letter can be issued from the debt collection agency versus that of full debt collection. This can be at a lower cost compared to that of full collection.
- iv. Once the debt collection agency has confirmed that they will take on this debtor, the student will be flagged in Xplor utilising a separate code. This will be communicated to services so that no further bookings are accepted.

i. Unpaid and no response after 14 days from Collection 2 letter issue – Cessation of child's permanent enrolment

Please note: This action may be taken independently of and/or parallel to any actions undertaken by the debt collection agency and/or court related activity to recover debts.

- i. If all efforts by the TCKC office and the debt collection agency are unsuccessful to this point, the Senior Leader will consider if they wish to escalate the collection process and cease the permanent enrolment and remove any future bookings in XPlor.
- ii. The Senior Leader will notify the Executive Director: Catholic Schools if the process is escalated and cessation of permanent enrolment is to occur.

j. Escalation - Commence legal action in Queensland Civil and Administrative Tribunal (QCAT) – if debt is under \$25,000

- i. The debt collection agency may make recommendation to the Senior Leader to commence legal action by lodging a Minor Civil Dispute (MCD) in QCAT
 - a. when there is clear evidence of an ability to pay and a total disregard by the parents/legal guardians of their responsibility to pay for their children's care
 - b. if actions by the debt collection agency are unsuccessful
- ii. The Senior Leader is to consider the further costs to be incurred at this point and the likelihood of success versus that of the total debt owed.
- iii. This action is a legal demand for payment and is not listed on credit reports.
- iv. The Senior Leader is required to notify the Executive Director: Catholic Schools prior to lodgment.
- v. The MCD is served to the responsible debtor.
- vi. If the responsible debtor responds to the MCD, mediation and a hearing may occur depending on the value of the debt with the aim of mediation to reach agreement.



- vii. If twenty-eight (28) days have lapsed since the service of the MCD and there has been no contact or payment, further legal action may be recommended by the debt collection agency to file a request for a Default Decision in QCAT. This matter is not listed on credit reports.

6. Write off debt (unrecoverable/bad debt)

- a. A debt may be unrecoverable when
 - i. the family is unable to be located as they have moved and their children are no longer enrolled
 - ii. there is a failure to keep up with any payment arrangements
 - iii. there is a complete lack of response to requests
 - iv. the family advises they are unable to pay outstanding fees and levies
 - v. a bankruptcy notice is received
 - vi. the debt collection agency has advised they are unable to recover any amounts.
- b. If a debt is unrecoverable, it is the Senior Leader's decision to formally recommend or approve the write off of the account. This cannot be delegated to another role.
- c. All documentation supporting this decision is to be scanned and included in the TCKC Finance files.
- d. As part of discussions with a debtor, it may be agreed to write off part of the bad debt taking into consideration the circumstances for that debtor and payments made to date. This is to be authorised by the Senior Leader.

7. Recognition of doubtful debts

- a. Doubtful debts include
 - i. where there are circumstances where families are currently unable to repay outstanding debts, but there is potential for future recovery if their circumstances improve.
 - ii. where debtors are non-cooperative but capable of repayment and who the TCKC office may wish to pursue through all legal avenues.
- b. For accounting purposes, a conservative approach is to be adopted to recognising revenue, and to comply with relevant Accounting Standards.
- c. An adjustment is to be made to the Provision for Doubtful Debts to account for these debts as if they were not collectible. The balance of the Provision for Doubtful Debts is to reflect the amount deemed to be uncollectable as at 31 December for the year.

8. Fees charged at withdrawal of enrolment

- a. Kindergartens may offer partial adjustments to the term fees for students who are starting or leaving part way through a term. This is at the discretion of the Senior Leader.
- b. A reasonable notice period for withdrawal of enrolment may be included in the fee schedule.
- c. Kindergartens are not permitted to charge a full term's tuition fees as a penalty for lack of a full term's notice.

9. Overpaid fees

- a. Overpayment of fees will be allocated to the debtor putting them into credit balance.
- b. At 31 December each year, any credit balances will be treated as a pre-payment.



- c. For debtors where children are no longer enrolled, refunds are to be provided prior to the end of the financial year. If the debtor cannot be contacted and all communication channels have been exhausted, the credit balance (if greater than \$20) should be paid to the Public Trustee after two years of holding these funds.
- d. For debtors with continuing enrolments, they can request a refund of the overpaid fees at the discretion of the Senior Leader.

10.Shared care arrangements

- a. If a child's parents are separated and both individuals are responsible for the cost (or part of the cost) of the fees, the following fee arrangements are to be put in place.
 - i. Kindergartens – one account is provided to both parents
 - ii. OSHC – CCS requirements are to be followed (refer Child Care Provider Handbook for guidance)
- b. All statements and invoices are to be issued to all responsible debtors.

Authority

The Toowoomba Catholic Kindergartens and Care fee collection procedure is the responsibility of the Senior Leader: Kindergartens and Care. Any changes to this procedure can only be made with approval by the Senior Leader: Kindergartens and Care or the Executive Director: Catholic Schools.

Version control and change history

Effective date

25/11/2024

Review date

25/11/2027



Appendix 1 – Initial CCS enrolment and fee email

Good afternoon,

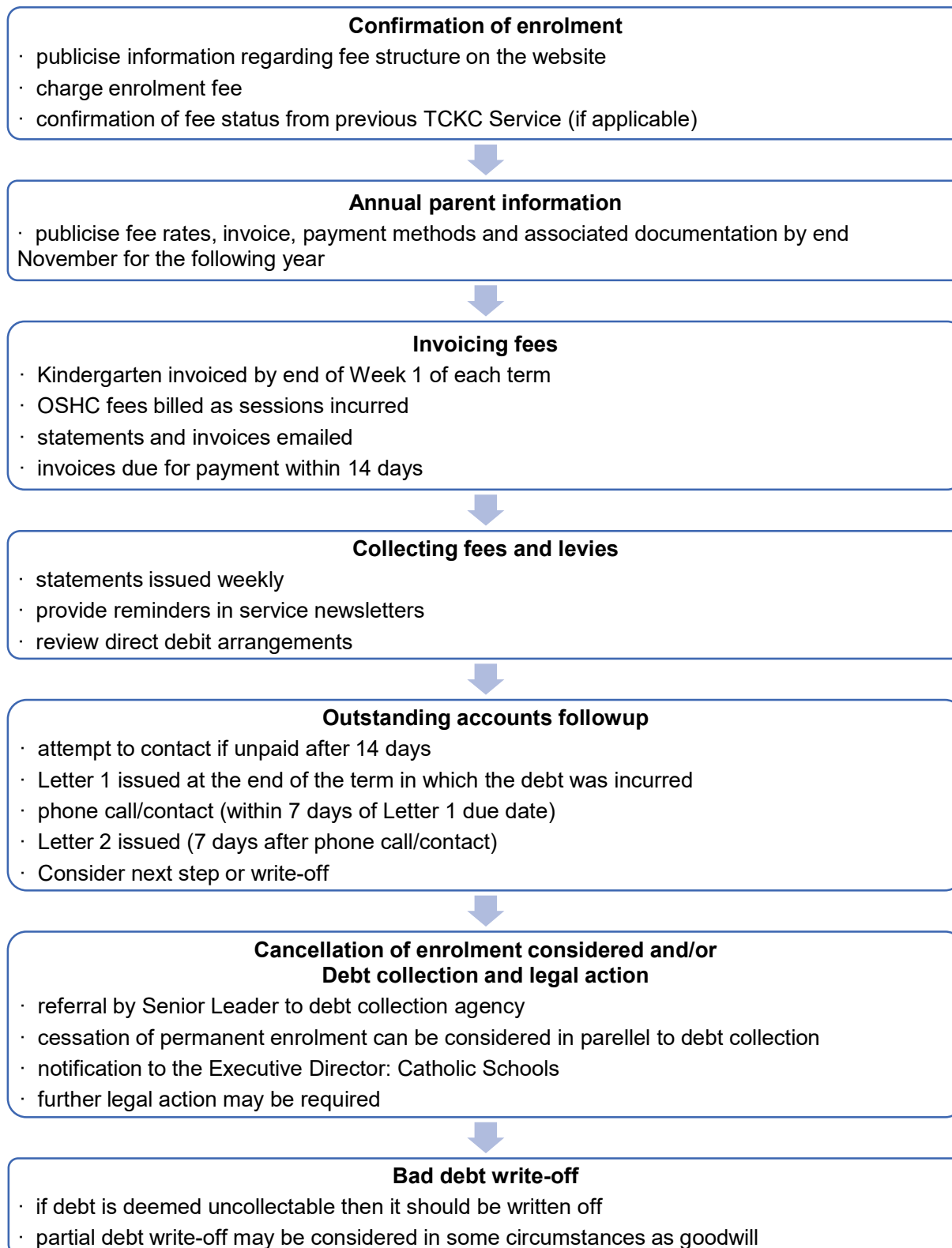
Thank you for your enrolment at St Stephen's Outside School Hours Care.

If you are entitled to Child Care Subsidy I have created a Government enrolment for you to confirm. You should now be able to confirm the enrolment in MyGov/Centrelink. Please note: if it has been over 26 weeks since you have claimed CCS you may be required to submit a whole new claim with Centrelink.

I have also attached a Direct Debit form, if this is something you would like to arrange for payment of your account please complete and return to me at your earliest convenience. A one-off enrolment fee per child has been charged to your account.



Appendix 2 – Flowchart for fee collection



Appendix 3 – Unable to enrol for Vacation Care bookings (OSHC) emails

(Issued 3 weeks prior to school holidays)

Dear xxxxxx

As a continuation of our previous contact with you, we regret to inform you that your eligibility for Vacation Care bookings during the upcoming holidays may be impacted due to the outstanding balance on your account.

To rectify this please ensure you contact accounts@tckc.qld.edu.au to setup a payment arrangement or to discuss payment in full immediately. This is required to be resolved before the commencement of the last week of this term.

Kind regards

(Issued 1 week prior to school holidays)

Dear xxxxxx

As a continuation of our previous email communication, we regret to inform you are ineligible to enrol for Vacation Care bookings for the upcoming holidays due to an outstanding balance on your account.

Unless you are able to promptly address this matter, your existing bookings will be removed from the system within the next 24 hours. To prevent this action, please make contact with our finance team at accounts@tckc.qld.edu.au.

Your prompt attention to this matter is appreciated.

Kind regards



Appendix 4 – Collection Letter 1

*To be printed on TCKC letterhead and sent under Senior Leader: Toowoomba Catholic Kindergartens and Care signature if posted. If emailed can be inserted into the body of the email with subject line **Outstanding account – first letter***

Dear

Re: Outstanding TCKC account – first letter

According to our records you may have overlooked your fees payment for <Kindergarten or Outside School Hours Care> which was due on <date>. Please disregard this letter if you have recently paid this account or contact the Toowoomba Catholic Kindergartens and Care (TCKC) office if you would like further clarification.

If there is a reason why this account cannot be paid within the next seven (7) days, I invite you to contact me at your earliest convenience to discuss the matter. There are alternative arrangements we can put in place.

If the fees are not paid in full and I have not heard from you by <date> we will call you to arrange a meeting to discuss the matter.

<As previously advised in our email correspondence, you are currently ineligible to enrol your child in vacation care bookings until payment is made in full or an approved payment arrangement is in place.>

Yours sincerely

Senior Leader: Kindergartens and Care



Appendix 5: Option 1: Collection Letter 2 where enrolment/s are current

*To be printed on TCKC letterhead and sent under Senior Leader: Toowoomba Catholic Kindergartens and Care signature. If emailed can be inserted into the body of the email with subject line **Outstanding fees account – final letter of demand**.*

Dear

Re: Outstanding fees account – final letter of demand

Our records show that your fees for <Kindergarten or Outside School Hours Care> have still not been paid despite several reminders from the TCKC office. Fees are an important source of income for your <Kindergarten or Outside School Hours Care> and their timely payment contributes to the continued provision of high-quality care, programs and experiences for all students.

Advice has been provided regarding alternative arrangements including direct debit and deferral in special cases of genuine hardship. You have not sought to discuss these alternatives with the TCKC office.

If we have not received your payment in full within seven (7) days <insert due date>, we will refer your account to a debt recovery agency.

You are also advised that your <child/children's> continued permanent enrolment at this service may be reviewed, as may their future enrolment at other Toowoomba Catholic Kindergartens and Care services. As a consequence of your failure to pay fees or make alternative arrangements you may be asked to show cause why their enrolment should not be discontinued.

This would be a decision we take with extreme reluctance. We also have a commitment to your <child/children's> care, but we cannot operate our services effectively without the payment of fees.

I now ask that you make the necessary payments or to contact me to make alternative arrangements within the next seven (7) days.

Yours sincerely

Senior Leader: Kindergartens and Care



Option 2: Collection Letter 2 where enrolment/s have ceased

Dear

Re: Outstanding fees, (*Name of service*)

Our records indicate an amount of \$xxx remains outstanding as unpaid fees for your child's/children's kindergarten or outside school hours care services (please see the attached statement).

We require that you settle this account in full within seven (7) days <insert due date> or show cause why the account cannot be paid by this date.

If the account is not paid by the due date or you are unable to show satisfactory cause for not paying the account, we will refer this matter to a debt collection agency without further notice.

As this is a family debt, non-payment of the outstanding account could result in your child <and their siblings> being ineligible for enrolment at other Toowoomba Catholic Kindergartens and Care services.

We would be hopeful this matter can be satisfactorily resolved without recourse to further action.

I invite you to contact the TCKC office as soon as possible to discuss this matter if you believe this information is incorrect or requires further clarification.

The payment of fees is an important part of each services income and influences each services capacity to provide high-quality care, programs and experiences for all students.

Yours sincerely

Senior Leader: Kindergartens and Care

